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JPRS-SEA-84-126

7 September 1984

Southeast Asia Report

DISTRIBUTION STATEMENT A

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Distribution Unlimited

DTIC QUALITY INSPECTED 2

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7 September 1984

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EDITORIAL CRITICIZES HAWKE 'MEDDLING' WITH OECD REPORT

Melbourne THE AGE in English 24 Jul 84 p 13

[Editorial: "Meddling With the OECD"]

[Text]

IF there is one constant in politics it is the tendency towards double standards. The latest example is to be found in the Hawke Government's handling of the recent report of the Organisation for Economic Co-operation and Development. The reference in the report to the Government's wages policy was changed after the OECD consulted with Australian public servants. The early version leaned towards the advantages of a decentralised system. This was altered to favor the centralised approach of the Government.

That OECD drafts are changed is nothing new. Indeed it has been well known for a long while that a lot of consultation occurs before final reports are issued. Australia is notorious within the OECD as a country willing to exert pressure to ensure there is nothing in the final report which conflicts with Government policy. Despite this, and for obvious reasons, the then Opposition Leader, Mr Hawke, went right over the top on this issue during the last election campaign. When it became clear that radical changes had been made to an OECD statement on the Fraser Government's wages policy, Mr Hawke accused the then Treasurer, Mr Howard, of great deception. The then shadow Treasurer, Mr Keating, said a Labor Government would reprimand the OECD for its compliance with requests from Liberal Governments. Mr Hawke said that his Government would continue to comment on OECD drafts but that the public would not be deceived. If what emerged in the final report was a result of representations from the Government the public would be told this.

And what has happened? Nothing. Nothing has changed. It should not have been too much to expect Mr Hawke and Mr Keating to fulfil their promises. But then of course that would have been to expect them to behave as something other than politicians. How silly we sometimes are to even entertain such a thought.

LOCAL SPACE WARS APPLICATION DRAWS OPPOSITION

Melbourne THE AGE in English 28 Jul 84 p 5

[Article by Robin Usher]

[Text]

Star wars are more than movie fantasy — they are fast becoming a military reality that could involve Australia.

The Soviet Union and the United States have already tested space weapons and the US has committed \$20,000 million to their research and development.

A senior lecturer in physics at Monash University, Dr Don Hutton, says the possibilities for their use already involve Australia.

He said yesterday the latest reference was in the May issue of 'Bulletin for Atomic Scientists' where it was suggested that North-West Cape be the base for F-15 fighter planes armed with killer-satellite missiles.

These F-15s and others around the world would be able to threaten all Soviet satellites, which were crucial to the defence of the Soviet Union.

Dr Hutton, who is a member of Scientists Against Nuclear Arms,

said Australians needed to be aware of the development of space weapons because their implications were global.

"I am not suggesting that Australia has agreed to the F-15 proposal," he said. "But with advances in technology come a whole range of options and it is very easy to get locked in as the technology becomes possible."

Dr Hutton described the technology as "pretty classy". He said some of the new weapons were able to detect a missile over Sydney, manoeuvre on target and hit it within the two minutes it would take to reach Melbourne.

This meant the world was on the threshold of a new series of weapons systems, with far-reaching implications.

The first would be to turn space into a potential battleground and introduce to conventional warfare a new range of sophisticated weapons such as lasers and kinetic-energy missiles which de-

stroyed anything on impact.

Dr Hutton said opposition to star wars weapons had to be organised now to be effective. "The complete American space system will cost \$1000 billion to put in place — 50 times more than they are already spending," he said.

"I really think the world is a bit short on resources to spend that sort of money on weapons."

He questioned the effectiveness of star wars. "Counter measures will always be developed, making them a waste of money," he said.

"The machinegun was supposed to be so horrible it would make war unthinkable. The A bomb was going to do the same and so was the H bomb. That is not the answer," he said.

Dr Hutton said it would be much better to work on ways to prevent the missiles ever being fired than on how to stop them landing once launched. "I just don't think technological fixes are the answer," he said.

CSO: 4200/977

ATTORNEY GENERAL ON ASIO TRANSFORMATION

Melbourne THE AGE in English 28 Jul 84 p 13

[Article by Margot O'Neill: "Evans Pleased With ASIO's New Persona"]

[Text]

CANBERRA.—When the Federal Attorney-General, Senator Evans, assumed Ministerial responsibility for the Australian Security Intelligence Organisation last year, he expected it to be a curate's egg — some good, some bad.

Even then it was a softer view of ASIO than those held by many of his Labor Party colleagues who historically harbored hostilities. Only two years before, in 1981, the Foreign Minister, Mr Hayden, then Opposition Leader, had declared that ASIO had for two decades seriously threatened the basic freedoms of Australians.

But Senator Evans, whose civil libertarian reputation was somewhat tarnished last year by the Combe-Ivanov affair, had always defended the need for a domestic security body and now says his expectations proved right.

"I didn't expect to find an organisation of stumble-bums — although no doubt there are a few around. I expected to find, as a result of the developments of the past few years, a mixture of younger people with a more relaxed view as to what the organisation ought to be about, together with a number of older people who made the transition into senior po-

sitions from the earlier days who perhaps held a narrower view of what it's about," he said.

Senator Evans now not only supports the organisation but has given his tacit support to promoting ASIO through some limited public relations. He believes ASIO is being transformed into a more accountable, effective and responsible organisation.

He is also confident that the program to overhaul ASIO's administrative and legislative framework, reflected in the ALP's new platform and submission to the Hope Royal Commission, will not be opposed in general terms by Mr Justice Hope.

It is premature to make any assumptions won't have time to do its job of catching spies and terrorists." Senator Durack believes it is dangerous to remove subversion from the ASIO Act.

Senator Evans still faces criticism from within his own party best summed up by South Australian Labor backbencher, Mr Peter Duncan, who told the ALP conference: "Government just changing the rules under which the organisation operates, I fear, is not going to do anything to change the fundamental philosophy of the people who make

up the organisation and that is the real problem you have got."

"You can buy 'The Battler', the 'Spartacus', and 'International Socialist' and all the rest of the crazy Left and Right-wing publications from an ordinary book store — nobody's suggesting that's inappropriate," Senator Evans said.

"But that's different from having the power to tap telephones and put tails on people and being able to produce adverse security reports simply on the basis of an abstract ideological commitment which has got no earthly prospect whatever of being translated into either violence or espionage".

Senator Evans's remarks are interesting in the light of a recent security appeals tribunal decision to uphold an adverse ASIO security assessment of a woman member of the International Socialists who lost her job in the Australian Archives. Last the tribunal overturned ASIO's adverse assessment of a member of the Communist Party.

While Senator Evans says ASIO has changed fundamentally since the mid-1970s he believes there are many more changes that need to be made and it will be another three years at least before further reforms mature.

He says the transformation process is at a mid-point. "There's still a lot of steps to go before we end up with the combination of legislative, administrative and informal mechanisms that will ensure that ASIO is a thoroughly effective, professional organisation which justifies the confidence of the Australian community."

The shadow Attorney-General, Senator Durack, is critical of the new accountability measures saying ASIO will have too many masters and will be "so busy telling people what it is doing it about Mr Justice Hope's report, "but from the discussions I've had with

Hope, it is evident that there is a broad consensus of view . . . I don't think there is any prospect of a fundamentally different perspective".

Senator Evans said the transformation began with the reign of Mr Justice Woodward as director-general in the late 1970s, which also coincided with the first review of the organisation by Mr Justice Hope.

The second stage will be implemented after Mr Justice Hope's second review, due at the end of this year, and ASIO's move to new headquarters in Canberra in 1986.

The proposed reforms, adopted by the National ALP Conference only after a motion to abolish ASIO was defeated by nine votes, include increasing the heads of authority ASIO must answer to and tightening, and even removing, aspects of the 1979 act. Senator Evans also wants to rid ASIO of an "isolationist siege mentality" and bring it more into the mainstream of the Public Service.

"There is a sense in which it's difficult for an inward-looking organisation, that is wholly maintained in its career structure, to maintain and develop objectivity and not to get totally absorbed in the intelligence mystique," he said.

"It's terribly important for that reason that there be external influences constantly at work upon it."

Senator Evans admits that the changes are not viewed with unanimous enthusiasm in the organisation, especially the proposal to remove any reference to subversion — which he said "the party felt very strongly about".

"I am well aware that there has been, as a result of the change of Government and a commitment to this approach . . . a great deal of debate within the organisation. There are two schools of thought. But I am persuaded that the prevailing sentiment and sympathy within the

organisation is for the view that subversion, as it has traditionally been applied, is much too wide," he said.

Senator Evans believes he has the support of the director-general, Mr Harvey Barnett, but adds "that's not the be-all and end-all".

Factional disputes between the so-called old guard or "Cold War" warriors and the new guard, the young officers with tertiary education or the bright young turks, have been reported.

The old guard is concerned that the street-wise techniques of spying have taken a back seat to amateur graduates who began flooding ASIO under Mr Justice Woodward.

Senator Evans said ASIO was "stuffed to the gills with competent graduates" who have brought a new perspective to the organisation.

Although Senator Evans wants the reference to subversion removed from the ASIO Act he believes that elements under that heading — dealing with defence force activities and promoting racial hatred — should be maintained under an expanded definition of terrorism.

He, and his party, were alarmed by the broad definition given to subversion by the act.

"What we're trying to get rid of is the notion that particular ideologies which may involve a theoretical commitment to the substitution of this form of Government with some other form (presents) any danger or threat to society by (the fact of) someone merely holding such an ideological viewpoint," he said.

"The only time the danger begins to be real is when there is a realistic and short-term likelihood of that ideology being transformed into some sort of violent, non-democratic, non-lawful action."

But wouldn't ASIO argue that it must monitor groups and people to judge if such a transformation was likely?

NEW TRADE AGREEMENT WITH USSR REPORTED

Melbourne THE AGE in English 31 Jul 84 p 5

[Article by Brett Wright: "Did You Hear the One About Henry Ford, Comrade?"]

[Text]

A new trade agreement between the Soviet Union and the Australian business community may lead to more imports by Australia of Soviet technology and heavy machinery. It may also lead to a rise in the number of Russian jokes about Australian businessmen.

At the signing of the agreement in Melbourne yesterday, the first deputy chairman of the USSR Chamber of Commerce and Industry, Mr Vladimir Pletnev, offered a favorite story about the Soviet's ability to do business with Westerners.

"This occasion reminds me of a visit to the United States in the 1930s by the Soviet Minister for Foreign Trade," Mr Pletnev told the assembled businessmen.

Mr Pletnev explained that Henry Ford had tried to entice the Soviet Minister by giving him the latest model Ford motor car.

"I can't accept such an expensive present," answered the Minister. "I can sell it to you," said Mr Ford.

"What's your price?" asked the Minister. Mr Ford thought for a moment and said 50 cents. Our Minister took out his wallet and produced a one-dollar bill.

"Mr Ford shrugged and explained: 'But I have no change.' Our Minister said without hesitation: 'Then I am taking two cars.'"

The businessmen roared with laughter and then signed the agreement. The managing director of Elders IXL, Mr John Elliott, said afterwards that the agreement would mean a better understanding between Soviet and Australian businessmen and possibly a reduction in the trade imbalance between the two countries.

HAYDEN TRIPS REPRESENT NEW FOREIGN POLICY ROLE

Melbourne THE AGE in English 31 Jul 84 p 5

[Article by Ian Davis]

[Text]

CANBERRA. — The Foreign Minister Mr Hayden flew out of Sydney yesterday on his fourteenth overseas trip in the 17 months he has been Foreign Minister.

The trip firmly fixes Mr Hayden's position as Australia's most-travelled Foreign Minister in recent times.

In 17 months he has made 14 overseas visits, spent 185 days overseas and visited more than 30 major overseas cities, most of them capitals and several of them more than once.

By comparison, Mr Street, Mr Fraser's Foreign Minister, spent 92 days overseas in 1981.

But Mr Street was overshadowed as Foreign Minister by his Prime Minister, who was the architect of practically every major foreign policy initiative.

Mr Hayden has largely shaped his own foreign policy, directing its primary concern to Australia's immediate region.

Apart from Labor's first few months in Government, during which time he withdrew and nursed the trauma of losing the leadership of the ALP, Mr Hayden has, in addition to his activist overseas role, played an important part in consolidating the Hawke Government in power.

His role as the public voice for Mr Hawke's private appeals for Labor to adopt a policy supporting uranium mining and export at its national conference was the most obvious example of the part he has played.

Mr Hayden's efforts in helping form the centre-left faction and in using his credentials as the only successful Treasurer in the Whitlam Government to support Mr Keating's moderate economic policies have been less obvious but equally impor-

tant in moulding the Labor Party in Government.

Mr Hayden's overseas ports of call are an indication of the changes he has brought to Australia's foreign policy.

Although he has visited Washington, Wellington and London — obligatory ports of call for all Australian foreign ministers — these destinations have been overshadowed by the time he has spent in Asia and the Middle East.

The changing direction and emphasis of Australia's foreign policy would have been more apparent had he not aborted his planned extensive visit to Eastern Africa at the end of his Middle East trip in January and February this year. (He cancelled the African leg of the trip because of the death of his mother.)

Unlike his predecessors, Mr Hayden has avoided the Heads of Government meetings (especially those concerned with the Commonwealth,

which he does not value as highly as Mr Fraser did) and international forums attended by the Prime Minister, thus avoiding the role of bag-carrier for the leader.

Instead, he has, in consultation with Mr Hawke, developed foreign policy initiatives — notably his proposal that Australia "facilitate" contact between the parties to the Kampuchean dispute.

Mr Hayden has used those initiatives to persuade regional and other political leaders to listen

to Australia on issues where otherwise an Australian Foreign Minister may have had difficulty in getting an audience, for instance in Washington and Moscow on human rights disarmament and chemical warfare.

Australians have paid a price for this impact. Mr Hayden's overseas travel bill was \$302,846 for his first eight trips in Labor's first nine months in Government. (The cost of more recent trips is not yet available.)

OPPOSITION LEADER MAKES 'BID FOR MIDDLE GROUND'

Sydney THE SYDNEY MORNING HERALD in English 23 Jul 84 p 2

[Article by Mike Steketee, Political Correspondent]

[Text]

CANBERRA: The Opposition Leader, Mr Peacock, has made a bid for the middle ground of Australian politics by saying the Coalition will direct its policies towards the ordinary person neglected by the Hawke Government's big business-big union approach.

Addressing the Liberal Party's Victorian State Council on Saturday, he said: "We will not, like the Hawke Government, do a few deals and trade-offs between the most powerful and then lamely watch while our international position crumbles because our competitiveness has been swapped for short-term political gain.

"The direction of our policies, the direction of our passions, must be towards the ordinary person who wants to have a go, who wants to work and to achieve for themselves and their families.

"My Government is going to open up opportunities for these people who have been forgotten by this Government at Australia's peril.

"When did you last hear the Prime Minister talk about the ordinary small businessman, about the man who runs his own shop or the woman who manages a travel agency, about the ordinary farmer, about the worker who wants to better himself and the dedicated professional who thinks of responsibility to the community?

"The honest, ordinary, hard-

working Australian is the heart of this country and its future.

"Yet they have been truly forgotten by this Government, along with the nearly 700,000 unemployed, who are locked out from a future by the economic self-interest of the forces which surround the Labor Government.

"They are locked out along with the elderly, whose only crime has been their devotion to the idea of saving for a secure retirement."

In effect, Mr Peacock was trying to reverse the traditional Labor argument that it represents the ordinary people and the Liberals represent big business.

In both his speech and a Melbourne radio broadcast last night, Mr Peacock spoke out strongly against Labor's education policies.

He said there should be no doubt the Government's aim was for an end to funding for non-government schools.

Liberal policy supported the right of every family to choose the education it wanted.

"My government will guarantee every child in this country funding for their education, regardless of the school they attend," Mr Peacock said.

"We will provide special funding for needy schools, regardless of whether they are government, Catholic or independent schools."

The Opposition Leader also claimed that the assets test and the 30 per cent tax on lump-sum superannuation were only the

opening chapter of new imposts, including a capital gains tax and death duties. A Coalition government would not apply any of these taxes.

Mr Peacock said the Coalition would permit the expansion of the uranium industry rather than discriminating between mines in the Northern Territory, Western Australia and Queensland in favour of Roxby Downs in South Australia.

CSO: 4200/977

'RIGHT WING,' RACIST GROUP OPPOSES FEDERAL LAND POLICY

League of Rights Profiled

Sydney THE SYDNEY MORNING HERALD in English 23 Jul 84 p 9

[Article by Amanda Buckley: "Inside the League of Rights: the Strange World of White Supremacy"]

[Text]

"The Commonwealth Government, under the zealous hand of Aboriginal Affairs Minister, Clyde Holding, has embarked upon a policy for 'Aboriginal Land Rights' which ... will, if taken as far as possible, threaten the Australian continent with a type of balkanisation into racial ghettos ..."

From League of Rights pamphlet, Intelligence Survey, May 1984.

"The land claims issue, linked with the constitutional revolution, is emerging as the most explosive question in current Australian politics primarily because of the in-depth and persistent work of the League of Rights."

From League of Rights pamphlet, On Target, July 1984.

THE recent hiring of a special consultant to help the Federal Minister for Aboriginal Affairs, Mr Holding, fight the Australian League of Rights shows how seriously the Government is taking the burgeoning activities of this little-known right wing anti-semitic organisation.

The league was set up in 1946 in Adelaide by its present national director, Mr Eric Butler, and became a national organisation in 1960 with branches in every State.

The league's main aim, according to its introductory pamphlet, is "to promote loyalty to the Christian concept of God and the Crown and to the Country as part of the British Commonwealth of Nations". Other aims are to emphasise the value of

State Upper Houses and the Senate and "to expose and oppose all anti-British propaganda and actions, irrespective of their origin".

According to Mr Holding's consultant, Mr Ken Gott, who wrote a book about the league called *Voices of Hate* in 1965 which he is now updating, the league is the "leading racist organisation in Australia". Over the years it has campaigned against Asian immigration, black liberation movements in Africa, fluoridation of water, Britain's joining of the EEC and against constitutional changes giving more power to the Commonwealth against the States.

Mr Butler said the league, which he described as a "conservative Christian organisation", only had six fulltime paid officials in Australia but had attracted an army of volunteers.

According to Mr Gott, there are only a couple of hundred full members of the league. (Mr Butler would not give a figure).

However, there is a network of shire councillors and country newspaper editors, especially in Victoria and Queensland, who organise regular meetings on issues like Asian immigration, land rights, and the Franklin dam High Court decision at which league literature is sold and league speakers are invited.

Mr Butler said the league was not interested in attracting members but was more interested in influencing as many people as possible through its publications and meetings.

According to league organisers and

Mr Gott, league members have infiltrated some rural National Party and Liberal Party branches.

Mr Butler agreed that the league operated a number of front organisations around Australia. He named the Australian Heritage Society and the Institute of Economic Democracy as "divisions of the League".

The Save Australia 84 campaign, which has recently taken off in rural Victoria over the State Aboriginal Land Rights Bill, is run by two league supporters, according to Mr Butler.

Mr Butler said Lady Florence Bjelke-Petersen had spoke at a league meeting, although she and the Queensland Premier did not share all the league's political views. The former Fraser Minister, Sir James Killen, had campaigned with Mr Butler in the early 1960s against Britain joining the European Community and one of his pamphlets is still on display at the league bookshop in Melbourne.

In NSW the league's activities are run by Mr Roy Gustard, the chairman of the NSW Council of the League. Mr Gustard told *The Herald* the league had monthly meetings of its Conservative Speakers' Club in Sydney's Commonweal Centre, usually on the last Tuesday of each month. Mr Butler had addressed one meeting this year and there had been speakers for the mining industry and for the formation of a British ethnic group. Professor Geoffrey Blainey had been asked to speak on Asian immigration but had declined.

Mr Gustard said that traditionally NSW had not been as big a centre of league activities as Victoria, Queensland and Western Australia and did travesty foisted on mankind by an unscrupulous crowd of people — not have a paid organiser. But he said the Aboriginal land rights issue was "bringing them out of the woodwork" and the attendance at league meetings was increasing dramatically.

There were now thousands of NSW supporters, especially in the areas of Dubbo, Coonabarabran and Coonamble.

Among the league's publications are *The New Times*, *On Target*, *Ladies Line*, *Intelligence Survey* and *Enterprise* — an organ of the Institute of Economic Democracy. These are available by subscription from the league's Melbourne headquarter and from meetings.

The organisation's headquarters in Melbourne is a small, dingy third-floor office and bookshop at 273 Little Collins Street. The books for sale are an indication of the strange ideological baggage of league supporters.

On display is Mr Geoff McDonald's *Red Over Black*, which the blurb explains is the "chilling, almost unbelievable story of the Marxist manipulation of the aboriginal land rights movement, told by a man who learned of Communist strategy while in the Communist Party... while painting aboriginal murals on the secret Communist training school at Minto, NSW, he first heard of the long range Communist strategy for the establishment of an aboriginal republic under communist control."

On sale also at the bookshop, called the Heritage Bookshop, are a series purporting to prove that the Nazi killing of six million Jews in World War II was a myth. One book called *Debunking the Genocide Myth* attempts to prove there were no gas ovens at Auschwitz.

A book called *Anne Frank's Diary — A Hoax* claims to prove that the diary was "a forgery, a monstrous 20th century's greatest literary hoax." A huge two-volume tome, called *The Testing of Negro Intelligence* "proves" they are not as smart as whites. On the same shelf is *The Inequality of the Races* by Count Arthur de Gobineau and *The Importance of Race in Civilisation* by Wayne Macleod.

Other books on sale purport to prove that the conservation movement is a left-wing conspiracy, that the Jewish-American Rockefeller family bankrolled the Bolshevik revolution, and that John Lennon was a subversive influence.

Among the shelves are stacks of pamphlets. One, by the late Sir Raphael Cilento, the former director general of health in Queensland, is called *Australia's Racial Heritage* and attempts to link the spread of disease with immigration in an argument for racial purity.

"Smallpox and plague invaded the country with the immigrant.

"The Chinese brought leprosy, a virulent form of hookworm and were a distribution menace for venereal diseases and tuberculosis, especially

among the aborigines ... When the late Soekarno was sabre rattling in Indonesia, it was obvious to many of us that there was more danger from Indonesian germs than from Indonesian arms."

Another booklet, called *The Struggle for Africa* argued that black African liberation movements are really run by a Jewish communist conspiracy. It said: "Documents seized revealed close links with the Soviet Union, Algeria and Cuba, revealing also that the whole operation had been financed and controlled from the start by whites, with the minimum participation of blacks. Here are the names of the real leaders of this 'black' revolutionary move-

ment: Dennis Goldberg, Lionel Bernstein ... Arthur Goldreich, with Abram Fischer, a leading Johannesburg barrister, still to be flushed out in a subsequent raid."

A real eye-opener is a book called *The Talmud Unmasked*, written by an alleged Roman Catholic priest, which claims to be secret Jewish teachings about Christians showing that Jews are dedicated to the extermination of Christians.

But another small pamphlet advertises a book called *Wall Street and the Rise of Hitler*, which claims that Hitler was backed by Jewish financiers.

Author in 'Key Role' Against Aborigine Policy

Sydney THE SYDNEY MORNING HERALD in English 24 Jul 84 p 9

[Interview by Amanda Buckley with Geoff McDonald, "ex-communist" author and campaigner against government Aboriginal policies and Asian immigration: "Champion of the Underdog Sees Threat to White People"]

[Text]

Geoff McDonald has traversed the political spectrum from the far left to the far right since he was sent as an 18-year-old Communist Party member to tackle the leader of a Melbourne University student breakaway movement from the communist-controlled Labour Club.

The student leader was Clyde Holding, now Federal Minister for Aboriginal Affairs, who has just hired another old mate of Mr McDonald's and another former communist, Mr Ken Gott, to fight Mr McDonald's campaign against Aboriginal Land Rights. "We all ought to be old friends," Mr Holding said ruefully yesterday.

Mr McDonald said: "It's funny to see two ex-communists fighting to the death on this one. I've been friends with both Gott and Holding for years. But they have picked the wrong fight. They think they're going to frighten me, but the ordinary Australians are on my side - I'm booked out for speaking engagements until the end of the year."

Mr McDonald, 54, has played a key part in the intensified campaign organised by the Australian League of Rights against Government Aboriginal policies and Asian immigration.

His books, *Red Over Black* and *The Evidence*, are selling like hot cakes in rural Australia and he is hard at work

on a new one called *The Eleventh Hour*.

Mr McDonald, in an interview at his home in the Melbourne working-class suburb of Footscray, said he was not a member of the League of Rights, didn't know much about its anti-Semitic leanings and personally "did not want a fight with the Jews".

But he needed an organisation to back him in spreading his message that the Aboriginal land rights movement was manipulated by Marxists.

In his book *The Evidence* he said: "When communists oppose assimilation and call for separate developments, it is because they want land rights areas with Aborigines separated from industrial development.

"With land rights areas remaining undeveloped and Aborigines seeking to return to the 'old ways' it fits in better with their picture of a separate nation. By this means it is easier to make calls to the United Nations for recognition of land rights areas as a separate nation ... the next step is the establishment of their own 'army' as recommended in the *Workers Weekly* for September 24, 1931.

"The separate army can be called in from outside in the same manner as the Marxist Mugabe Government has done in Zimbabwe by inviting in Asian troops from North Korea. Make no

mistake this is what it is all about."

"Never say anything you can't prove," he said, producing bundles of socialist literature going back to the 1920s as well as books on international law and documents showing Aborigines taking their case to the United Nations.

He came from a Communist Party family and joined the party's junior organisations as soon as he was old enough, and at 19 years of age was employed as an organiser for the Building Workers' Industrial Union in Melbourne.

Described by both Mr Holding and Mr Gott as probably the most widely read member of the labour movement in his time, Mr McDonald was expelled from the Communist Party in 1960 after years of secretly reading Trotsky's *The Prince of the Pen* at the Victorian State Library.

He then became a freelance trade union advocate, representing at various times the models and mannequins, nurses, deepsea divers, social workers and pastrycooks. "My job has always been to fight for the underdog," he said.

In *The Evidence* he said, "the people under attack in Australia on a racial and colour basis are white people".

He was a member of the ALP in the 1960s but was refused renewed membership last time he applied. The former Minister for Labour and Immigration, Mr Clyde Cameron, remembers Mr McDonald as a witness before the Federal ALP Executive's investigation into the Victorian State branch in 1971.

"McDonald played a key role in nearly bugging it up for us," Mr Cameron recalled yesterday. He said Mr McDonald gave such conspiratorial evidence against the left-wing Trade Union Defence Committee that the executive nearly decided the whole thing was nonsense.

It is only that the left-wing witness was equally damaging to his cause that the Federal Executive made the historic

decision leading to a completely reconstituted Victorian branch, according to Mr Cameron.

Mr McDonald said he had been interested in Aboriginal land rights since visiting nurses' delegates in the outback when he acted for the Royal Australian Nurses' Federation in the 1960s.

He produced his book *Red Over Black* in 1982 and has since visited Aboriginal communities in Northern and Central Australia, finding the white missionaries to be "the experts" in Aboriginal affairs and admiring the Aboriginal Evangelical Movement.

"Many Aborigines think land rights is a sick joke — they are sick of Holding, they want to tell these dreamers and do-gooders what they think of them."

His theory is that Marxist groups are inspiring Aborigines to "sabotage mining with fake sacred sites" and to claim land which all Australians should be entitled to. The ALP, "nationally a very left-wing party", was doing nothing to stop this.

But he does not aim to directly influence party politics. "There are two ways politics are decided in Australia — one way is among the political elites and the other is among the ordinary Australian people and they are the ones I'm concerned about."

Mr McDonald does not mind being unpopular. He quotes the Italian Renaissance philosopher, Guicciardini — "In this world you must either be dead or sometimes do things which offend other people."

Personal honour is more important than social acceptability but he does feel the isolation. "Most of my friends are on the other bloody side."

Yesterday's feature on the League of Rights referred in error to "the late Sir Raphael Cilento". Sir Raphael is, in fact, living in Brisbane. He is a patient at the Canossa Hospital in Oxley.

Journalist Hired for Ministry Campaign

Sydney THE SYDNEY MORNING HERALD in English 25 Jul 84 p 9

[Interview by Amanda Buckley with Ken Gott, "ex-communist" journalist hired by the Aboriginal Affairs Minister to "prepare the government's strategy against the League of Rights": "The Man To Silence the 'Voices of Hate'"]

[Text]

"I CAN claim racism is totally abhorrent to me, it is just the most fundamental position you have got to take. Clyde

Holding, like myself, has always had strong feelings for minorities who cop a bad time."

Ken Gott, 61, was instrumental in getting the Australian League of Rights proscribed by the Victorian Labor Party.

Hired by Mr Holding to prepare the Government's strategy against the League of Rights, he pooh-poohed the idea that the league's increasing activities are part of a wider community backlash against the Aboriginal land rights movement.

"I think decency and fair play will prevail. There is always a potential for racist groups to make headway in times of high unemployment, but we can beat them."

The basis of his strategy is to mobilise ALP members in country areas to counter-attack. Victorian party members have been sent a kit detailing ways of answering league propaganda by replying to anti-land rights arguments on talk-back radio and in the letters columns of country newspapers. Aboriginal communities and ALP members in other States will be encouraged to launch their own counter-attacks.

Mr Gott, a member of the Communist Party in the 1950s and now a member of the ALP, spent many years as a business journalist and editor in Hong Kong and New York. He was, until a year ago, an international consultant for CRA.

In 1965 he wrote a book about the League of Rights called *Voices of Hate*.

In it he accuses the leader of the League of Rights, Mr Eric Butler, of writing a commentary on and espousing the Protocols of the Learned Elders of Zion, which Mr Gott called "one of the most notorious forgeries in history and a document directly responsible for immeasurable bloodshed."

Mr Butler told the *Herald* he wrote the book called *The International Jew - The Truth About The Protocols of Zion* in 1946 but it was now out of print and fetched up to \$400 at collectors' sales.

Mr Gott described the book as "undiluted anti-semitic venom" with "no other logic than manic hatred of the

Jewish people".

He said the protocols reprinted in Mr Butler's book claimed to be the details of a plan drawn up by Jewish leaders to ensure world domination by Jews.

Mr Butler's commentaries on the protocols claimed that Hitler's policies furthered the declared aims of international Jewry, despite what Hitler said about the Jews, according to Mr Gott. Books on sale at the League of Rights Book Shop in Melbourne also make this claim.

Mr Gott believes the anti-land rights campaign is another attempt by the league to whip up the race issue in Australia, but disguising this aim with a commitment to God and country.

Mr Gott's appointment as a six-month fulltime consultant to Mr Holding's Aboriginal Affairs Department at an undisclosed salary has not been greeted with unalloyed enthusiasm by Aboriginal groups.

The chairman of the National Aboriginal and Islander Legal Service Secretariat, Mr Paul Coe, said yesterday he was surprised the job had not gone to an Aborigine.

The Government's strategy in hiring Mr Gott is obviously to discredit the chief organising group against land rights by drawing attention to the league's activities on other race issues over the years.

Mr Gott believes the League of Rights is the key - "other right-wing organisations have not the stamina or the endurance of the league, which offers confused people a whole package of beliefs on political and economic questions but with the baggage of race hatred in its train."

A mild-mannered crusader, Mr Gott's worst word about his old friend and now chief antagonist, Mr Geoff McDonald, whose writings against land rights have been promoted strongly by the league, is "misguided".

Mr Gott does not want to outlaw the League of Rights or what it stands for but intends to try to call on the "innate decency" of Australians to make racist activities irrelevant.

USSR DELEGATION WARNS AGAINST U.S. BASES

Brisbane THE COURIER MAIL in English 31 Jul 84 p 12

[Text] AUSTRALIANS had no reason to fear the Soviet Union or its people, a visiting Russian peace delegation said in Brisbane yesterday.

But scientist Mr Georgie Sturua, a member of the Soviet Peace Committee, said American bases on Australian soil could lead to Australia becoming involved in any conflict between the two superpowers.

He said the presence of the bases "attracted a very grave threat" towards Australia. But he could not stipulate what measures would be taken against Australia in the event of such a conflict.

"The best way to achieve peace in your region, and the Indian Ocean, is for you to liquidate foreign military bases located here," he said.

Mr Sturua said that in the past the Soviets had advocated zones of peace in the Indian and South Pacific oceans, but these initiatives had been rejected by the Americans.

Other members of the delegation visiting Queensland are film and theatre actress Ms Vija Artmane, journalist and playwright Mr Genrih Borovik and peace committee international department member Ms Natasha Itskova.

Ms Artmane, who is also the vice-chairman of the Soviet peace committee, said 90 million people had given money to the committee's voluntary fund.

Ms Itskova said 160,000 separate peace events had recently been organised by the Soviets, with about 80 million people in-

involved. Public meetings had attracted crowds of up to 250,000.

Mr Borovik said Australians needed to fear only those who still believed a limited or total nuclear war was winnable. He said there were still people in positions of influence in the Pentagon who believed this.

Soviet military thinking contained no concept of first atomic strike, he said.

Mr Borovik said three things were of major concern: the arms race, the widespread deployment of nuclear weapons in Europe and the threat to militarise space.

"We are still in a position where we can make agreements to freeze, go down, abandon or control armaments," he said.

"But in five or six years there could be new kinds of weapons that cannot be controlled by agreements."

CSO: 4200/977

CPI DROPS TO 14-YEAR LOW

Perth THE WEST AUSTRALIAN in English 27 Jul 84 pp 1, 3

[Text]

CANBERRA: Australia's annual inflation rate has dropped to the lowest level for 14 years.

But the good economic news means that workers are certain not to get any further pay rises this year.

Figures released yesterday show that the inflation rate was only 3.9 per cent for the financial year just ended.

The tiny annual rate follows a consumer price index rise of only 0.2 per cent in the eight main Australian cities in the June quarter.

This followed a drop of 0.4 per cent in the CPI in the March quarter, caused mainly because of the introduction of Medicare in February.

Under the national wage guidelines, workers are granted six-monthly wage increases in line with CPI rises.

But it is likely that the next national wage case scheduled for September will be abandoned because the CPI has fallen 0.2 per cent in the last two quarters.

The Treasurer, Mr Keating, said the inflation figures were the best news Australia had had for years.

But the Opposition

Leader, Mr Peacock, said they were welcome news but resulted from temporary factors.

Mr Keating said that even allowing for the "Medicare effect," inflation was 6.5 per cent for the year to June — down from 11.5 per cent when the Government came to office.

Recovery

He said Australia's inflation rate for the past six months was comparable with our main trading partners and pointed to a continuation of the economic recovery and further falls in interest rates.

The pause in award wage rises would be good news for the economy, for consumption and for investment.

"We have been a decade in this country trying to throw off the scourge of inflation and every time we have had some economic recovery it has been hammered into the ground by an increase in prices and wages and inflation," Mr Keating said.

"What the Govern-

ment's policy is delivering, particularly with the prices and incomes accord, is exceedingly strong economic growth but with a decline in inflation."

Mr Keating said the Government was looking forward to a pick-up in consumer spending and in private sector investment this financial year.

He was confident, because of tax cuts in the August Budget, that the prices and incomes accord would hold despite the lack of a national wage rise.

Although inflation fell by 0.2 per cent in the last six months, Mr Keating said wages and pensions would not fall as a result.

Similarly, Commonwealth excise rates that are now tied to CPI figures will not be revised downwards.

Mr Peacock said that had it not been for the temporary factors—the Medicare impact on health care and the food price decline—there would have been little CPI improvement.

"Even more disturbing is the fact that

consumers are still being hit hard in certain key price areas—clothing, housing and transport to name but three," he said.

Consumers were also being sluggish with continuing increases in State and Federal Government charges.

"The fact is that the ordinary consumer is still being hit by large price rises in certain key areas, including some necessities of life and government charges," Mr Peacock said.

In the June quarter, the health and personal care component of the CPI dropped by 12.8 per cent.

The only other groups to show a fall were food costs (down 0.3 per cent), and recreation and education (down 0.4 per cent) and health and personal care (down 12.8 per cent).

Housing costs went up 2.2 per cent, clothing 2.9 per cent, transport 1.9 per cent, tobacco and alcohol 2.5 per cent and household equipment 0.8 per cent.

Perth's CPI figure, along with that of Sydney, did not change in the June quarter.

In Melbourne, the index rose 0.3 per cent and in Brisbane it rose 0.8 per cent.

Except for the Medicare-affected March quarter, the CPI figure in June was the best since it dropped 0.1 per cent in December 1963.

The new annual inflation rate of 3.9 per cent is the lowest annual rate since June 1970, when the index was 3.7 per cent.

The interest rate fall was generally welcomed by business.

The director of the Australian Chamber of Commerce, Mr Alexander Downer, said the real increase in wages caused by the CPI fall should be taken into account in the next national wage case in 1985.

"While our inflation rate still remains well above the inflation rates of Japan, the United States, Britain and West Germany — which are amongst our major competitors—it is heartening to see the gap narrowing," he said.

"This narrowing of the inflation gap coupled with a weakening Australian dollar is helping to make Australian industry more competitive internationally — and that should be one of our major economic objectives."

It was important that State and Federal governments now kept down taxes and charges so that business could make the most of their "breathing space" on the wage front.

The Opposition Treasury spokesman, Mr Howard, said the June quarter CPI reduction was very welcome.

The result gave the Government an outstanding opportunity to hold the line on inflation in the coming Budget.

The NSW Premier, Mr Wran, said the NSW figures were highly encouraging and reflected the positive effect of a wide range of Government policies aimed at curbing and where possible reducing State charges.

FR GORE RETURNS, ADDRESSES PHILIPPINE, AUSTRALIAN CONCERNS

'Keen To See Shake Up in Foreign Aid'

Mlebourne THE AGE in English 23 Jul 84 p 1

[Article by Jan Mayman]

[Text]

PERTH. — Father Brian Gore returned home to a hero's welcome yesterday and looking forward to his mother's roast lamb, a brief rest and more crusading against injustice.

After an emotional reunion with his parents and family at Perth airport early yesterday, Father Gore told reporters he owed his freedom to their help.

Publicity about his imprisonment in the Philippines brought him letters and messages of support from all over the world, he said, sustaining him in his long and finally victorious campaign for release on his terms.

Father Gore, 39, said he feared that the Philippines was on the brink of civil war.

"Maybe I'll create a little wind here in Australia," he said, revealing that he had already had some approaches for help, "everything from peace marchers, land rights and anti-nuclear people". He said: "There seems to be a supermarket of injustice here. There are a lot of issues I must examine."

After 15 years in the Philippines, he said he was out of touch with Australia.

Father Gore admitted his experiences as a Columbian missionary priest had politicised him. "It has made me more determined to campaign against injustices and inequalities," he said.

Just what he will be doing in Australia is still undecided but Father Gore believes his order will let him pick his own job. The

Columbians are a missionary group.

He said he was keen to see a shake-up in Australian foreign aid to the Philippines, now largely concentrated on big scale capital works.

In particular, Father Gore said he would be interested in learning just how much military aid Australia was giving to the Marcos regime which he said was now facing a shaky future.

"The situation is escalating towards civil war, Filipino killing Filipino," he said. "The economy is beginning to crumble, students are on the streets, strikes everywhere; there is going to be a tremendous amount of suffering. It makes me very sad."

The Philippines desperately needed more foreign aid now, the people-to-people kind, he said. Simple projects like windmills were the kind of things needed by ordinary Filipinos.

Father Gore said he had a re-entry permit allowing him to return to the Philippines at any time, but he believes his effectiveness there as a missionary priest had ended for the moment.

He said he left after he was convinced that his former co-workers were safe, and under the protection of the Philippines courts, civil authorities and the church.

Later yesterday, Father Gore visited the West Australian Premier, Mr Burke, (who is in hospital with a back injury) before

returning home to a family reunion and dinner complete with the roast lamb and mint sauce he'd requested.

He is now staying with his family in Perth. "We've made up a bedroom for you just like a cell — so you'll feel at home . . .," said his brother Darryl.

Father Gore was confronted by Philippines authorities accusing him of subversion only six hours after he returned from a brief home leave in Perth two years ago. The charges were later increased to include allegations of murder which the priest, described as a "frame up".

Remarks on NPA, Basic Christian Communities

Sydney THE SYDNEY MORNING HERALD in English 23 Jul 84 p 5

[Excerpts] PERTH: Father Brian Gore, the Roman Catholic priest who was accused of murder in the Philippines, returned to Australia yesterday amid emotional scenes.

Later, on Channel Nine's Sunday program, Father Gore said that he and the other accused were prepared for another year in jail, but that international pressure from Australia and the United States helped to speed up the trial.

Questioned on the role of the Church in Third World politics, he said: "The work of the Church is undergoing a very strong revision or change in order to be relevant to the people."

He said that priests should be anywhere that there was injustice.

Father Gore said it would be possible that the communist New People's Army might take over the basic Christian communities in Negros which he had developed, but he believed that the locals would develop a "meaningful dialogue" with them.

He added that he would prefer to see radical change in the Philippines through a non-violent struggle but feared it might not be possible.

CSO: 4200/977

AUSTRALIA

BRIEFS

ROLE OF QUEEN, GOVERNOR PROTECTED--The government has rejected an opportunity to move Australia closer towards becoming a republic. Legislation relating to the Office of the Governor General has been updated and modernized without in any way changing the role of Queen Elizabeth and her representative in Australia--the governor general. The updated letters patent was authorized by the queen on the advice of the prime minister, Mr Hawke. Mr Hawke said the new letters, which had not been changed since 1901, did not represent a step towards creating a republic. [Text] [BK280745 Melbourne Overseas Service in English 0430 GMT 28 Aug 84]

CSO: 4200/1003

RICE FIELD CREATION PROGRAM FALLS SHORT OF TARGET

Jakarta HARIAN UMUM AB in Indonesian 4 Jul 84 p 1, 2

[Text] Jakarta, AB--The program to expand farm land by creating new wet rice fields has not met its goal, according to information gathered by ANTARA on Tuesday [3 July] from the DITJEN [director general] for Food Crops at Pasar Minggu, Jakarta.

This program, which was begun in 1979 with a target of 350,000 hectares by the end of PELITA [5-Year Development Plan] III, had realized only 200,000 hectares by March 1984.

The 150,000-hectare balance from PELITA III must therefore be achieved during PELITA IV, according to the DITJEN for Food Crops.

Since the target for PELITA IV alone is 350,000 hectares, wet lands created during PELITA IV must therefore reach 500,000 hectares.

A source at the DITJEN for Food Crops emphasized that the operations of all management components need to be reviewed and improved in order that the targets for wet fields creation may be achieved.

The review must begin with organizational planning and include direction and oversight.

Planning must consider land usage to ensure that designated land is actually available for farming.

Thought must also be given to whether the new wet fields have a guaranteed supply of water, and rehabilitation of irrigation systems must coincide with the creation of wet fields.

Organization Not Functioning

ANTARA sources at the DITJEN for Food Crops stated further that the executive organization for creation of wet fields, as the vehicle for performing this activity, has not functioned as it should.

The consequences are reflected in the many obstacles and delays that have been experienced in managing the creation of wet fields.

The Project Executive Unit, or UPP, organization has acted as though it were autonomous and separate from the responsibilities and functions of food crop agencies. The result has been veiled conflict between the agencies and the project executive.

The cause of this situation, according to views at the DITJEN for Food Crops, is in part the lack of connection between the creation of new wet fields and the program for improving food crop production.

In addition, the lack of clarity as to responsibility and authority among the agencies and the project executive has produced ineffective and poorly managed supervision. As a result, there have been administrative and technical deviations in several locations. Poor intentions and lack of understanding on the part of officials are the cause.

The program for creating new wet fields operates generally outside of Java in places such as Lampung, Palembang, Jambi, Bengkulu, North Sumatra and South Sumatra.

The program involves the DITJEN's for Irrigation, Agrarian Affairs and Food Crops and the Department of Finance, which affords credit for the opening of land for new wet rice fields.

6942

CSO: 4213/254

SCRAPPING OF VESSELS HELD NOT DISRUPTIVE TO SHIPPING

Jakarta SUARA KARYA in Indonesian 4 Jul 84 p 3

[Text] Jakarta, SUARA KARYA--Director General for Sea Communications J. E. Habibie declared that the scrapping of about 250 merchant vessels has proved not be disruptive to Indonesian shipping.

He made this statement to reporters at his office in Jakarta on Tuesday [3 July].

He said there has been an opinion that the banning of the approximately 250 ships 25 to 30 years old would be certain to disrupt shipping in Indonesia. That opinion has proved to be mistaken. The transportation of passengers and essential goods prior to the recent 1984 holidays went smoothly in spite of the fact that part of the merchant fleet had been banned from further operation.

According to J. E. Habibie, no goods needed for the holidays were reported undelivered. Everything arrived on time.

Need to Learn

Referring to the rejuvenation of Indonesia's merchant fleet, J. E. Habibie said the Indonesian maritime industry apparently needs more time to study before being able to build merchant ships meeting international standards.

He estimated that, because of time needed to study, at least two or three PELITA's [5-Year Development Plans] will pass before there can be realization of a rejuvenated merchant fleet made up of ships built by Indonesia itself.

J. E. Habibie stated that in its effort to rejuvenate the national merchant fleet the government is planning to build new ships in domestic shipyards. For that reason, the standard Caraka Jaya type has been established. Its three versions, Caraka I, II and III, have capacities of 1000, 2000 and 3000 DWT, respectively. Domestic shipyards are expected to be able to build these vessels.

The serious attitude of the government in this matter is demonstrated by the participation of three cabinet ministers, i.e., the minister of industry, the

minister of communications and the minister of research and technology, who are responsible for guiding the development of the domestic shipbuilding industry.

The involvement of the three ministers illustrates seriousness at least in assuring the quality of ships that will be built, said Habibie.

6942

CSO: 4213/254

INDONESIA

AIR FORCE CHIEF OF STAFF INSPECTS RADAR SITE CONSTRUCTION

Jakarta KOMPAS in Indonesian 6 Jul 84 p 3

[Text] Jakarta, KOMPAS--Indonesia has set up an air defense system marked by readiness and great dependability. This system includes the placement of radar (long-distance sensing equipment) throughout the country, complemented by interceptor aircraft armed with guided missiles.

The sensing equipment that has been installed is quite modern and is capable of performing early warning and guiding TNI-AU [Indonesian Air Force] interceptors to enemy aircraft violating Indonesian territory.

KSAU [Air Force Chief of Staff] Chief Air Marshal Sukardi recently inspected a radar construction site under KODAU (Air Region Command) III. He took the opportunity to give guidance on subsequent construction and on personnel discipline and welfare.

According to data published by E. R. Hooton in "Military Technology I/84," Indonesia now has about 70 combat aircraft and 29,000 air force members. (This military information is frequently inaccurate, since every country naturally wants to keep its capabilities secret.) Improvements to the air defense system were made during the 1970's using Thomson CSF radar. Its strength resides mainly in two squadrons of A-4E's, a squadron of OV-10F Broncos and two squadrons of F-5E interceptors.

The air force strengths of other ASEAN countries are as follows: Thailand, 188 combat aircraft and 43,000 men; Malaysia, 30 aircraft and 11,000 men; Singapore, 100 aircraft and 6,000 men; and Vietnam, 290 aircraft and 12,500 men.

If the information published by E. R. Hooton is true, it should make Indonesia work hard to strengthen its air defenses. The growth of Nurtanio, especially since the flight of the CN-235, indicates that Indonesia has begun to be mindful of this. Furthermore, Habibie's concept of building jet fighters, planes for 100 passengers, etc., has been noted in other countries, and they believe the concept will be realized.

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CSO: 4213/254

INDONESIA

BRIEFS

SCIENTIFIC COOPERATION WITH FRG--Indonesia and the FRG have agreed to promote cooperation between scientific and industrial agencies of the two countries. State Minister for Research and Technology and concurrently chairman of the Board for Research and Application of Technology B.J. Habibie said this to newsmen following his meeting with his FRG counterpart, Dr Heinz Riesenhuber, in Jakarta on 20 August. The cooperation will cover five fields such as aeronautic and space technology, research on renewable and nonrenewable energy, survey on biotechnical and biochemical problems, marine technology, and research on environmental preservation. [Summary] [BK260506 Jakarta THE INDONESIA TIMES in English 21 Aug 84 p 1]

PAPUA NEW GUINEA REFUGEES--Foreign Minister Mokhtar Kusumaatmaja says the Indonesian Government has no objection to the PNG's [Papua New Guinea] receiving assistance from the UN High Commissioner for Refugees [UNHCR] in the repatriation of Iran Javan refugees from the PNC. Minister Mokhtar said it is necessary for the Indonesian Government to issue this statement because of the existence of reports that the PNG Government has refused the UNHCR aid under Indonesian pressure. On the repatriation plan, Minister Mokhtar said everything has been arranged: A repatriation team has been set up while resettlement facilities in Indonesian territory near the PNG border are ready to receive the returnees. An invitation has also been extended to the PNG ambassador in Jakarta, Brian Amini, to observe preparations being made by Indonesia. The total of the Indonesian border crossers currently in the PNG territory is around 9,000. [Text] [BK170703 Jakarta Domestic Service in Indonesian 0000 GMT 17 Aug 84]

CSO: 4213/262

CHAN SI SPEECH AT EDUCATION MINISTRY MEETING

BK221022 Phnom Penh Domestic Service in Cambodian 1300 GMT 21 Aug 84

[Speech by Chan Si, member of the party Central Committee Political Bureau and chairman of the Council of Ministers, at fifth meeting of the Education Ministry on 21 August--recorded]

[Text] This meeting has brought good results in every field achieved by the Education Ministry over the past 5 years, in particular the achievements during the 1983-1984 school year. This fact reflects the genuine patriotism and the proletarian internationalist spirit of the PRK Education Ministry personnel who have overcome difficulties in actively implementing their tasks under the clear-sighted leadership of the KPRP. The great victories in the education field that all the comrades have successively achieved are the basis and foundation for the comrades to advance toward new successes. I am convinced that all the comrades will successfully achieve these tasks through national unity around our party and government due to the sincere attention from all levels of the state authorities and mass organizations, our sacred people: the support and assistance of our socialist friends, particularly Vietnam and the Soviet Union, and the assistance of various international humanitarian organizations. [applause]

I would like to take this opportunity to express my most sincere congratulations for the victories all the comrades of the Education Ministry have achieved and to most warmly congratulate all levels of the state authorities, mass organizations, and our beloved people who, at every step, have contributed to education with the spirit of serving the cause of the new socialist education. At the same time, I would also like to specially thank all friendly socialist countries and other international humanitarian organizations for having provided assistance to Kampuchean education. [applause]

Beloved audience, I think that the past over 5 years are appropriate for correctly assessing our work in the educational field. What is the new situation and atmosphere of our schools like? We want to implement the five tasks of education with the stress on ideology, political morale, and production labor tied with practical work. Relations among the school, family, and society have been deepened daily.

It is important to grasp the new direction in education, advancement, criticism, organizational aspect, building of scientific base and real revolutionary force, and the organization of mass organizations and various social educational

establishments for these are bases in the search of quality in education. The advance of the new education can make progress and achieve victory only with the cooperation of the state authorities, people, and the masses. I would also like to point out that the campaign against illiteracy and education for cadres, personnel, workers, peasants, and the people is an important matter to which the state authorities have always paid great attention because we cannot build scientific socialism if the people do not possess the right cultural, technical, and scientific level. Furthermore, providing education is the state's duty. This duty should be carried out on the basis of the real situation throughout the country. We must pay particular attention to areas where ethnic minorities live. These are major issues. I would like to call on the meeting to strive to find clues and solutions to achieve our party's sacred goal. [applause]

Beloved Presidium and audience, I would like to call on all levels of state authorities, mass organizations, and our people to provide more vigorous assistance to education in conformity with our party's goal. We would like our students to become mature red revolutionary youths with the cultural and technical qualities worthy of new men in a new society who live and serve society, particularly through production and effective struggle. Therefore, we must strive to gradually implement the main points of education such as ideological, morale, political, intellectual education, education in the field of production labor, and physical and artistic education to transform these meanings into concrete actions in schools through the activities of learning and teaching, production, and social actions. We must strive daily to change the face of schools for general education, increase our educational abilities, means, and quality aimed at providing general knowledge and vocational training. Along with this, we must strive to cooperate to open vocational classes and schools from the primary level onward.

This task is difficult and complex. However, I am convinced that, with the fighting spirit and determination of educational cadres in combination with the real force, namely the revolutionary power of the state authorities and all levels of mass organizations, youths, and people, we will certainly win brilliant victories in conformity with our KPRP goal. [applause] I firmly hope that the meeting [words indistinct] will have the ability to learn and study our educational basis. Once again, I would like to affirm that the KPRP and the PRK Government will continue to provide their utmost assistance and support, moral, and material, to the new education because it is a necessary factor for achieving the building of our noble society. [applause]

CSO: 4212/60

BRIEFS

462 RALLY TO GOVERNMENT--More clearly appreciating the growth of the Kampuchean revolution, particularly the clemency line of the party and state toward misguided persons, many brothers fooled by enemy propaganda have been awakened and rallied one after another to the national society. In fact, from the beginning of 1984 to the end of July, 462 brothers who had been misled into serving the traitorous activities of the Pol Pot-Ieng Sary-Khieu Samphan-Sihanouk-Son Sann bandits turned themselves in to our revolutionary authorities in Battambang Province, bringing along a quantity of arms and war equipment. On their surrender, these brothers were warmly welcomed and given both moral and material assistance by our authorities. They were accorded all rights to live like any other Kampuchean citizen in the country, and are now living happily with their families in solidarity groups for production. Each of them is sparing no effort to actively participate in all revolutionary tasks. [Text] [BK220754 Phnom Penh Domestic Service in Cambodian 0430 GMT 22 Aug 84]

MEETING HAILS NATIONAL ASSEMBLY--Some 600 people from all walks of life in Phnom Penh met at the municipal theater hall this morning to welcome the brilliant success of the seventh session of the First National Assembly which sat from 15 to 19 August. Presiding over the meeting in the Presidium were Comrade Keo Chanda, secretary of the party committee and chairman of the People's Revolutionary Committee of Phnom Penh City and National Assembly member from Phnom Penh constituency; Comrade Chan Ven, secretary general of the Council of State and National Assembly member from Phnom Penh constituency; Mrs Phlek Phirun, secretary of the National Assembly and National Assembly member from Phnom Penh constituency; Comrade Kong Sam-ol, minister of agriculture and National Assembly member from Phnom Penh constituency; and Comrade Abdul Koyom, deputy director of the Phnom Penh municipal health office and National Assembly member from Phnom Penh constituency. [Excerpt] [BK211358 Phnom Penh Domestic Service in Cambodian 1300 GMT 20 Aug 84]

MASS GRAVES IN PREY VENG--During the genocidal Pol Pot regime, Prey Veng as well as other provinces throughout the country suffered from the crimes committed by the lackeys of the Beijing Chinese hegemonist-expansionist clique. There are mass graves in almost every village and commune in Kompong Trabek District [Prey Veng Province]. There are over 900 mass graves in Tuol Russei Mring village in Kansom Ak Commune, Thom village in Thkov Commune, Tuol Svay village in Prey Chhor Commune, Tuol Ta-ak and Tuol Veng villages in Cheang Dek Commune, and Thap village. Each grave is 3 to 6 meters long, 1.5 to 2 meters wide, and 1.5 to 2 meters deep. There are 4,500 bodies in these mass graves. [Text] [BK180904 Phnom Penh Domestic Service in Cambodian 1100 GMT 17 Aug 84]

ACTIONS AGAINST 'BANDITS' PRAISED--During the first 6 months of this year, a military unit in Battambang Province was outstanding in sweeping up the Pol Pot bandits. Recently, after receiving instructions from the provincial military command to sweep up the Pol Pot bandits who frequently sneak into plunder people's paddy, rice, and property, this unit made preparations and set forth toward the battlefield. Our forces closely cooperated with the Vietnamese volunteer army and divided their forces in their journey to the bandits' refuge. After clearly examining the bandits' geographical position and their activities, the unit's commander ordered his men to open fire and attack the enemy from every direction. The bandits were panic stricken and fled back into the jungle. We took complete control over this refuge, killed 13 of the bandits, took 21 prisoners, and seized an assortment of 19 weapons and another quantity of materiel. This outstanding victory has made our people very happy. The unit has received a commendation certificate from the Council of Ministers. [Text] [BK210620 Phnom Penh Domestic Service in Cambodian 0430 GMT 21 Aug 84]

CSO: 4212/60

DIFFICULTIES IN CHAMPASSAK COOPERATIVES

Vientiane PASASON in Lao 2 Jul 84 p 2

[Article by Ketmeuang: "Phonthong, A District That Is Converting to Agricultural Co-ops"]

[Excerpts] A new and outstanding phenomenon in Phonthong District, Champassak Province, now is the conversion of agriculture in a total of 107 villages. This has made Phonthong the leading district of the 10 districts within this province in mobilizing the people and farmers of ethnic groups to successfully convert from individual scattered living to basic socialist collective living.

Phonthong District is located on the right shore of the Mekong River. It is an outpost of Champassak Province. Its border adjoins Thailand which is politically dissimilar.

Because of the brilliance of the revolution and the correct, just, and brilliant leadership of the Phonthong District Party, like other districts throughout Champassak Province, it managed to escape from the dark shadow of the old regime. Though harmful effects from the past left by the old regime still remain to be cleaned out, the enemies are continuing their schemes to incite unrest among the people. However, having deeply absorbed the policies of the party Central Committee and the province, e.g., the conversion to the base for the purpose of political base construction, the party committee and the district party committee have attentively, closely, and thoroughly guided and considered this task in relation to others, primarily production, improving the standard of living, and national defense and security, especially to construct at once the political base so as to maintain peace and to make it possible to make a living and construct the country in an normal fashion.

Concerning the transformation, economic construction, and improvement of the standard of living of the people, the party and district administrative committees have attentively mobilized the revival of deserted ricefields and reopened new ones, encouraged the conversion to agricultural co-ops, carried out intensive agriculture, and attentively expanded ricefields. In the 3 years from 1981 to 1983 the ricefields throughout Phonthong District increased 2,611 hectares, and the people's income also increased. There was 587 kg of paddy rice per capita on the average. It was 650 to 700 kg per capita on the average in Phonthong, Dou, and Koutchik Cantons. Each year they also increased their agricultural taxes to the government and they sold at least 3,500 tons of rice per year to the government.

Regarding agricultural co-op construction in particular, [the party and district administration committees] started to mobilize the process of conversion to agricultural co-ops from 1978 to 1980 after they had absorbed the plenum of the party Central Committee Politburo on the conversion to agricultural co-ops. Eighty-five agricultural co-ops were set up throughout the district. Later on there were many discouraging factors, resulting in only five co-ops left throughout the district. Because of this confusing situation the party committee and every member who firmly believed in the party's policies decided to get closely involved with the masses. They increased their efforts at mobilizing in order to again improve the agricultural co-ops, try to find the causes and correct the mistakes and shortcomings, use training techniques to raise the level of political ideology with senior intellectuals who have experience in promoting production in each locality so that they deeply absorb the direction of the party and government regarding the three rights and interests in converting to agricultural co-ops and consider it the most important problem in mobilization, guidance, and putting into actual practice. They also increased their efforts to expand democratic centralism, to work as individuals and as teams with responsibility on the expected plan, to survey and improve weaknesses, and encourage good aspects on a continuing and systematic basis.

Thus, the construction of agricultural co-ops in Phonthong District, an outpost of Champassak Province, has now completed its basic level. Throughout the district all 107 villages have become agricultural co-ops. In terms of the number of agricultural co-ops throughout the district, 51 units are considered well-organized and as having good production. They have 3,100 cattle and 19,081 hectares of ricefields that belong to the co-ops, including 558 hectares of deserted ricefields that have been revived and reopened.

These 51 co-ops consist of 48,193 people including 18,851 primary [laborers], 7,356 secondary [laborers], and 21,986 old people and children. The production average is 563 kg per capita, while for primary and secondary [laborers] the production is 1,124 kg per [laborer].

In the 1984 wet-rice production Comrade Onkeo, chief of the agricultural section in Phonthong District, told us that all the co-ops throughout the district have set expected figures to obtain a production capacity of 2.9 tons per hectare on the average and at least 300 kg per capita.

9884

CSO: 4206/145

VIENTIANE MERCHANTS WARNED ON ENEMY SUBVERSION

Vientiane VIENTIANE MAI in Lao 25 Jun 84 pp 1, 4

[Article: "Disseminate Documents On Carrying Out Business For Sikhottabong District Merchants"]

[Text] In order to awaken merchants in general and especially the merchants in Sikhottabong District, Vientiane Capital, to good citizenship and to see increasingly the direction and the correct and just policies of the party and the government, on the morning of 23 Jun 1984 in Wat Tai Noi, Sikhottabong District, there was a rally of 340 merchants to listen to details of and the dissemination of documents on running businesses in Sikhottabong District by Mr Thongkhan of the Vientiane Capital Party Committee and also secretary of the Sikhottabong District Party Committee.

Three main areas were emphasized in this discussion regarding the dissemination of party and government policies to merchants and what the policies are.

First of all he pointed out the propaganda and slandering of the enemies, bad people who become spies, and the minions of the foreign enemies who hope to dismantle, incite and sabotage the peace and happiness of the country, and to create confusion and raise prices of goods as they wish which are improper and inconsistent with the actual situation.

He also pointed out the duty for everyone to see more clearly what they must do according to the laws of the land in carrying out their obligations as good citizens. They must work together for the complete riddance of the propaganda and slandering of the enemies and those harmful people who propagandize, distort and slander the party and government policies hoping to create difficulties for cadres, government employees, workers and working people all over Sikhottabong District so they will become confused and lose their faith in the leadership of the party and government.

At the end he asked everyone to work together to carry out attentively their obligations as citizens, and to be highly alert in order to dismantle and defeat all the schemes and propaganda of the enemies in a timely manner.

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CSO: 4206/143

SARAVANE DISTRICT POPULATION, SECURITY, REFUGEE RETURNEES

Vientiane PASASON in Lao 30 Jun 84 p 2

[Article by Sai Sedone: "Vapi District and the Building of Its New Life"]

[Excerpts] Vapi is one of 10 districts in Saravane Province. It consists of 4 cantons, 60 villages, 3,445 houses, 3,800 families, and a total of over 20,100 people.

Comrade KhamSouk of the party and administrative committees of Vapi District reported at a meeting that prior to the liberation Vapi District was divided into two sections: east Sedone, the solid stronghold of the revolution, and west Sedone, the section under the control of the American imperialist puppets who wanted to occupy our liberation zone.

After the nation was completely liberated the people in these two sections united themselves. However, the situations of the people in these two villages are different: the people in the newly liberation section have not yet found any peace because the enemies have not stopped using deceptive schemes on them, especially the Thai untrarightist reactionary cliques, the henchmen of the Beijing reactionaries, who have been taking care of the Lao reactionary exiles and sending them in to incite unrest among the [Lao] people and to force a number of [Lao] people to live in Thailand.

Consequently, the party and district administrative committees have adopted a direction to mobilize the people in the newly-liberated zone as a focus by means of propaganda, word of mouth, newspapers, pictures, poems, and different art and literature. All consider the slogan that says education and culture go one step ahead. They have brought the party and government policies for disseminating so everyone will know and deeply understand them. After having education and training the people are gradually becoming better. Of those who migrated 80 percent gradually returned to their native land. Later the misled returnees were attentively taught political ideology for them to clearly and deeply understand the party policies. They then expressed their gratitude to those who sincerely guided and lit their way to happiness along the socialist path, and also pledged to the party and government that they would be good citizens and would determinedly take part in defending and constructing the nation. Now the Vapi District people are their own masters. In the overall national defense and construction each village organized guerrilla units to protect their own areas fairly effectively. The guerrillas also had further step by step training in politics, ideology, military strategy, and combat tactics. Since then the people within the district have been at peace.

In basic political ideology training among cadres and the population base, the people have a firm and sincere belief in our party and its leadership. This was demonstrated in many aspects of achievements. In economic base construction the Vapi District people were awakened and have organized 12 agricultural co-ops in their own district consisting of a total of 986.3 hectares of rice-fields and 74 hectares of intensive agriculture. There are 3,927 members. The co-op ricefields comprise 18.5 percent of the total of 5,350 hectares on the average. The gross production went from 3.94 tons to 8.08 tons a year. From this production result these district people also awakened and voluntarily took part in their obligation toward the country: they paid an agricultural tax of at least 400 tons per year to the government and sold at least 1,000 tons per year to the government. In 1983 the people in this district sold a total of 1,752 tons of their surplus rice to the government, which is 16 percent over the expected level.

Meanwhile, in the sociocultural area they were able to wipe out the cultural remnants of the old society. Many people are making progress in living and are also ever alert to counter all phenomena aimed at destroying the new regime in order to bring happiness to everyone, and to expand and make permanent what we have achieved.

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CSO: 4206/145

SAVANNAKHET PLANT PRODUCTION, LACK OF SPARE PARTS

Vientiane PASASON in Lao 6 Jul 84 pp 2, 3

[Article by Bounyong Saipanya: "The Animal Food Concentrate Plant at KM 4, Savannakhet"]

[Excerpt] I met Comrade Khamkhing of the board of directors of the animal food concentrate plant who briefly described the situation of the factory. The animal food concentrate plant at KM 4 in Savannakhet was set up in 1978 with aid directly from and approval by our provincial budget. The factory has machines for extracting peanut oil, slicing manioc, crushing corn kernels, grinding corn, drying corn, and mixing food.

Then he described the production situation from 1978 to 1982. We did not produce a sufficient [amount, so we] bought food and mixed it with domestic raw materials to make only a small amount of readymade food for livestock at our station. The reason for this is that we do not yet have a complete set of machines, and are not yet able to supply the plant with raw materials.

However, following the plenum of the third party congress and taking the position and pace that supports the success of the congress, in 1983 the provincial agricultural section along with the board of directors and also the workers in our factory adopted a new machine improvement and repair plan and also repaired three old and broken down flour grinding machines. The higher echelons also sent in one mid-level technician, so now there are two mid-level technicians for animal feed processing and four production cadres, excluding accounting and planning cadres. In terms of machine efficiency the dryer can handle 0.5 tons of raw materials a day; the four grinders can do 0.5 tons of a day on the average, the same as the mixer. If each kind of material is ground they can mix 8 tons per day. Therefore, if we count from the beginning of production up to now we have been able to produce 17,800 tons of readymade animal feed.

The actual production has not been able to fulfill the needs of society throughout. This is because there is still a big difference in the capacities of the machines, especially the dryer and the grinders. Also, within the province the sources of raw materials are still few and far between. Raw materials ordered from abroad, e.g., paremic and spare parts for the factory are difficult to find. However, our factory has not stopped but has been systematically producing all along. This is to take part in promoting animal husbandry in Savannakhet Province to steadily and widely expand and to respond to the need for abundant goods and food supply step by step.

AUSTRALIAN AID PROJECT DESCRIBED

Vientiane PASASON in Lao 7 Jul 84 p 2

[Article by Son Dalavong: "The Lao-Australian Animal-Raising Project Is Expanding"]

[Text] The Lao-Australian animal-raising project under the Ministry of Agriculture, Irrigation, and Agricultural Co-ops is located approximately 38 km northeast of Vientiane District. This model animal-raising center for the project is located in the Nam Souang Reservoir area. It was built in 1982 and its main and primary task is animal-raising and grass growing. It is aided by capital from the Australian and Lao governments.

Mrs Manivon, chief of the Lao-Australian animal husbandry project, told us that this project was totally rebuilt [except for] the area for grass growing and animal-raising. The animals that we raise here and the cadres and workers were assigned mainly from other places. In the beginning we encountered many difficulties, however, because of the attention given by the higher echelons this animal husbandry project has been improved and expanded rapidly and widely. In early 1983 this model center had a total of 75 cattle and 4 horses for the project.

Now this project has a total of 43 cadres and workers including 33 people stationed at the center. In only a short time this model center has developed a solid and permanent base, e.g., three buildings for places to stay, a club, classrooms, silo, and two additional houses for workers. They have already cleared and grown grass on 115 hectares, and 20 hectares are for grass-growing experiments.

In 1983-1984, especially in the first 6 months of this year, the model center got 90 additional cattle and 5 horses, and they cleared over 50 more hectares for grass-growing. The chief of the Lao-Australian animal-raising project added that besides animal-raising, grass-growing, screening for good breeds of animals, and collecting good strains of grass which are its primary and main tasks, it is also this center's duty to train animal-raising cadres nationwide, especially for the 6 districts and 96 villages in the province and Vientiane Capital. In the past year(s) it also opened many training courses for the province and Vientiane Capital attended by a total of 145 technical and animal-raising cadres and veterinarians from districts, cantons, and different production

bases, including 75 from Vientiane Province and 70 from Vientiane Capital. Now the center has opened a short training course in which there is a total of 24 cadres and technicians from sections and the animal-raising center in the province and Vientiane Capital, and from several ministries.

In order to achieve the expected level, and especially to carry out the fifth plenum of the third session of the party Central Committee to succeed in the 1984 expected figures of 1.45 million cattle to be raised nationwide, the center will expand areas for grass-growing in order to be able to supply 20 tons of fodder a year. This focuses on animal raiser nationwide, especially in the 96 villages and in over 400 villages around the province and Vientiane Capital so they will steadily improve.

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CSO: 4206/145

TRADE REGULATION: MERCHANDISE MUST BE REGISTERED

Vientiane VIENTIANE MAI in Lao 23 Jun 84 p 2

["Talking Together" Column by S Thipthiangchan: "Why Must Trade Registration Be Done Correctly?"]

[Text] Not long ago the government issued regulations on industry and trade, and on export and import taxes so that people, domestic merchants and aliens who engage in trade within the country can absorb and clearly understand the policies. This is to provide for the expenses of national defense and security and to expand the economy and culture (e.g., to pay the salaries for cadres, soldiers, police, teachers, and doctors and to build factories, schools, hospitals, etc.) in order to bring happiness to the people. Tax collection is for national defense and construction and to serve the people's interests.

Thus, it is the duty of all of us to strictly, honestly and respectfully carry out the regulations mentioned in actual practice in the country. Along with this matter, the merchants also have to carry out honestly their duty towards their country (e.g., they must appropriately and correctly report their goods inventory along with trade registration because reporting good inventory and trade registration is the duty of traders to the government).

In many advanced and also developed countries, traders all take a strong part in carrying out their obligations toward the government. In our country, after the complete liberation and the announcement of the establishment of the LPDR, our government has [instituted] correct and appropriate policies toward the people who engage in trade. Our government always tries every possible way that is suitable for all merchants. However, because our country is underdeveloped and because it was under aggression for many years, a majority of our people have been poisoned by the capitalists and imperialists. Some of them engage in small scattered private trade without a system or [living pattern]. Now, although the country has been liberated for 9 years, traces of the old regime still remain and cling to us. Thus, it is the duty of everyone to wash away these remnants quickly and completely for transforming and constructing, and also to train the people to earn their new living and to live happily under the new and bright regime.

In the past our party and government adopted many plenums, orders, laws and regulations to fulfill the desires of the masses within the country. Here

we would like to discuss just one problem by putting it in the following question: "Why do we have to register trade correctly?" As we mentioned above, the outstanding obligation of the people in the country is to respect and strictly adhere to all laws and regulations of the country because the regulations set by the party and government are a compass directing the people of the country and other people who have come to live with us in the country so they will follow the regulations of the nation having complete sovereignty and independence.

Trade registration and as well as reports of goods are necessary for people who follow this occupation. It also demonstrates the pure spirit of carrying out their obligation toward their native country and for the capital to take part in national construction and development [so the country will] be prosperous and strong. By reporting their own goods and registering their trade they will be carrying out the trade regulations and they will be avoiding illegal trade that is not consistent with the trade regulations of the new regime. Those who are not sincere, who evade disclosure, who report insincerely, or who do not register their trade, are all wrongdoers.

Thus, the merchants must think about this carefully, and they must also sincerely participate, cooperate, become ears and eyes helping the officers in this task and fulfill their obligations as befits new people under the new regime.

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CSO: 4206/143

COLUMNIST BLASTS ATHIT, PRASONG; REJECTS TALKS

Vientiane VIENTIANE MAI in Lao 25 Jun 84 pp 2, 4

["Talking Together" Column by S. Thipthiangchan: "The Lao People Will Not Give Their Land To Other Nations"]

[Text] The LPDR is a nation with independence, peace, freedom and sovereignty; it is a separate land according to international law. Our people of all ages are proud of their beloved and cherished land that all of our Lao ancestors have sacrificed their lives to keep for us, the younger generation. We who are their children absolutely will not lose any more of this land to any nation. We will defend it like our own life.

Patriotic Lao friends, now our beloved and cherished land is being trampled on by Thai ultrarightist reactionary cliques. It has now been 1 full month that the troops of the Thai ultrarightist reactionaries have occupied the three Lao villages in Sayaboury Province. As we well know, this invasion and occupation is a serious violation of the Lao-Thai joint statement signed by the prime ministers of the two countries in 1979. It is also a serious violation of the sovereignty and land of the LPDR.

Our LPDR government has tried its best to stop this incident by peaceful means, and has also sought every way possible to discuss and mediate the dispute from the local level on up to the higher echelons. However, the answer we received from the Thai reactionary cliques was to increase greatly their troops in the area. They also shamelessly announced that they would absolutely not withdraw troops from the Lao villages.

Along with their shameless and insane announcement, they and their propaganda vehicles have been propagandizing and distorting the situation to attempt to influence world opinion, and have also been slandering the good intentions of the LPDR government by saying that "in this dispute the Thai have good intentions toward the LPDR, but the Lao do not dare to confront the Thai at talks in order to prove the truth." Besides that, they even shamelessly said, "now Laos is not itself. There is a third hand interfering, etc."

The Lao and Thai peoples all know well that the accusations of the Thai reactionary cliques are merely tricks in a [plan which a thief uses to catch a thief]. The accusations were fabricated in order to mislead world opinion into thinking that their occupation of the Lao villages was legal, and that the LPDR whose land was seized was wrong.

The LPDR government has proposed talks to the Thai, and also the Thai have proposed talks to solve the dispute between us this time as was agreed according to the desires of the Lao and Thai peoples. Only talks to solve the problem peacefully will stop the crisis and reestablish good relations between the two neighboring countries. The proposal of the Thai reactionary cliques seems to be sincere. However, our Lao people cannot accept it. Dear Lao friends and Thai people and also people all over the world who love justice, let us consider this. A robber breaks into your home and chases you out of the house of which you are the rightful and legal owner. The robber occupies your home claiming that that house was his, and that if you, the homeowner, want to have your house back you should come to talk and compromise. Suppose you were the owner of the house that was occupied and was claimed by the robber, and he asked you to talk with him about it. Would you do it? If you did, this would mean you legally recognized that the robber was right, and that your house belonged to him. And you yourself, the true and rightful owner, would be wrong. The same goes in the case of the troops of the Thai reactionary cliques that have been occupying the three Lao villages of Ban Savang, Ban Mai and Ban Kang in Paklai District, Sayaboury Province. They are the robber and we, the Lao people, are the homeowner. Thus, if we agreed to accept and joint the talks, it would mean that we recognized the robber's action. It is true that we had proposed talks on this matter by peaceful means which shows the sincerity of our Lao people who want to maintain good relations with our neighbor, Thailand. However, the talks will occur when the troops of the Thai reactionary cliques have been totally and unconditionally withdrawn from the occupied Lao villages, and they must pay for all the damage they caused.

Recently the Thai reactionary cliques, especially General Athit Kamlang-ek, the supreme commander and the commander-in-chief of the Thai Army, along with squadron leader Prasong Sunsiri, shamelessly announced to the Thai mass media that "the attack on and occupation of the Lao villages is to save the three villages of Thailand and the Thai people from the Red Lao." This was a most aggressive, stubborn and arrogant statement. This is because everyone knows very well that those three villages are a legal part of the LPDR because in the 1952 Lao-Thai map based on the Thai-French agreement in 1946 it is clearly stated that Bai Mai, Ban Kang and Ban Savang are subordinate to Meaung Thong Canton, Paklai District, Sayaboury Province, and legally belong to the LPDR. What is most important is that the people in these three villages have always been Lao and were under the Paklai District administrative committee. They had Lao ID cards and have never been under Thai rule. The Thai mass media also acknowledge this and know that those people are Lao. But then why do General Kamlang-ek and his followers in the Thai reactionary cliques close their eyes and fabricate and claim that these three villages are Thai?

For all of the reasons above, the Lao people absolutely will not let the Thai reactionary cliques do what they want. Lao and Thai people who have a conscience will resolutely oppose the cruel acts of Athit Kamlang-ek and his followers in the Thai ultrarightist reactionary cliques, and request them to withdraw quickly and unconditionally their troops from the territory of the LPDR. The Lao people have a full and legal right to defend the independence and sovereignty of their land. If Athit Kamlang-ek and the Thai reactionary cliques are still stubborn and arrogant and shamelessly continue to occupy the three villages, they will have to face all the consequences that might occur and they will be solely responsible for them.

BRIEFS

LUANG PRABANG AGRICULTURE, COOPERATIVE SECURITY--This year Luang Prabang provincial farmers have cleared an additional 467.62 hectares of new rice fields, raising the total to 7,932.17 hectares throughout the province. In Luang Prabang District there are 3,474.56 hectares; Nan District 990 hectares; Pak Ou District 467.82 hectares; Oudomsai District 1,560.10 hectares; Ngoi District 558.91 hectares; Pak Seng District 210 hectares; and Phonsai District 73.26 hectares. Along with expanding rice-growing areas, Luang Prabang Province has attentively improved, revived, and expanded new agricultural co-ops despite organizing and managing difficulties. In the first 6 months of this year 61 agricultural co-ops [started] their production plan. Of these, 47 units have been improved, 4 units were revived, and 10 were newly expanded. The total area for ricefields is 2,681.82 hectares, and the highland cultivation is 703.14 hectares. Oudomsai District improved 5 [agricultural co-ops] and revived 2 units including 6 co-ops that have 3 aspects of peace: organization, peace, and standard of living, and 245 units of solidarity and labor exchange. [Excerpts] [Vientiane PASASON in Lao 6 Jul 84 p 2] 9884

PHONG SALY DISTRICT, POPULATION, CO-OPS--Gnot Ou, one of six districts of Phong Saly Province, is located in the northernmost part of the country. Its population is 17,603. There are 11 ethnic groups in all. The gross income from rice increased 141,515 kg or 270 kg per capita on the average. This means it is better than before, excluding other starchy crops. Gnot Ou District people paid 174,424 kg of paddy rice for agricultural taxes to the government. Of this amount, in 1983 to 1984 there was only 283,626 kg. They sold 75,923 kg of rice to the government. Now there are 27 agricultural co-ops throughout the district, an increase of 26 units when compared with last year's number. Of these, 17 are outstanding agricultural co-ops in which there is a total of 6,164 members each of which must receive almost 300 kg of paddy rice a year. [Excerpts] [Vientiane PASASON in Lao 29 Jun 84 p 2] 9884

SAVANNAKHET DISTRICT COOPERATIVES--Khanthaboury is one of eight districts in Savannakhet Province. The people and farmers of ethnic groups in different localities within the district all awakened and voluntarily organized 55 agricultural co-ops consisting of 1,512 families with 16,461 people and over 3,500 hectares of rice fields. Also, in order to ensure production efficiency in the co-ops the district has also improved 22 agricultural co-ops. In Khanthaboury District there are all together 63 villages and 11 cantons that have organized agricultural co-ops. The total ricefield area is 5,347 hectares. This means that the number of cantons that have organized agricultural co-ops is 84.61 percent of 13 cantons in the district; the number of villages that have organized co-ops is 50 percent of 127 villages; the number of families is 46.51 percent of 8,054 families, and the number of people who joined co-ops is 37.3 percent of a total of 55,427 people who produce. [Excerpts] [Vientiane PASASON in Lao 29 Jun 84 p 2] 9884

VIENTIANE GUERRILA OPERATIONS-- In order to defend the land and steadily improve the peace and happiness of the people throughout their own locality, in early 1984, the people throughout Phosi Canton, Hatsaifong District, Vientiane Capital, all carried out their duty fairly effectively. During this period they patrolled and guarded continuously and on a regular basis. The guerrilla unit in Phose Canton alone has over 100 people who guarded 44 times, inspected goods for smuggling and did other tasks fairly effectively. They also trained a number of the misled to be good. [Text] [Vientiane VIENTIANE MAI in Lao 26 Jun 84 pp 1, 4] 9884

CSO: 4206/143

VOMD CARRIES 45th ANNIVERSARY GREETINGS TO BCP

BK180215 (Clandestine) Voice of Malayan Democracy in Malay 1215 GMT 16 Aug 84

[CPM Central Committee's 1 August 1984 congratulations to Burmese Communist Party Central Committee on latter's 45th founding anniversary]

[Text] Burmese Communist Party [BCP] Central Committee:

Beloved comrades: The 15th of August this year is a day of joy, the 45th anniversary day of the eminent birth of the BCP. We, on behalf of all party members, all commanders and soldiers of the people's army, and the Malayan people extend our warmest congratulations and highest respect to you, comrades, and through you, to all BCP members, all commanders and soldiers of the Burmese People's Army, and the Burmese people.

For the past 45 years, the BCP has held high the banner of Marxism, has held tight to the consolidation of Marxism with the Burmese revolutionary practice, has firmly struggled for Burmese national independence and people's democracy, and has made unequivocal contribution. [sentence as received] The BCP is a loyal representative and firm defender of the Burmese people's interests. The BCP, in its long range struggle, has won the wide, sincere support, love, and respect of the Burmese people of all nationalities.

The Burmese people, under the leadership of the BCP, launched an armed struggle in March 1948. Although the struggle has experienced various difficulties, it has nevertheless continued to grow.

At present, the Burmese revolutionary struggle's situation is very favorable. You, comrades, are leading the people of all nationalities in launching all kinds of struggle, primarily an armed struggle, strengthening and expanding with all-out effort the liberated areas and guerrilla zones and moreover mobilizing the masses to fight the Ne Win dictatorial regime, and courageously fighting to realize peace in the country and establish democratic rights. We are fully confident that your struggle, comrades, will surely attain final victory.

The fact that the BCP-led armed struggle has continued for a long period of time and successfully grown has served as a very great encouragement to the

party, army, and people of our country. We consider your struggle, comrades, as our own, and consider your victory as ours. We are very proud of having comrades in struggle who are as sincere and close as you, comrades, in the international communist movement.

Our two parties have built a militant and deep-rooted friendship in a collective, long-range struggle. This brotherly friendship, which is built on the basis of Marxism-Leninism-Mao Zedong Thought, is strong and indivisible. We completely trust that such a revolutionary friendship can certainly be further strengthened in the course of the development of the struggle. We sincerely hope that under the firm leadership of the Central Committee, which is led by Comrade Thakin Ba Thein Tin, the BCP will steadily grow in strength and develop and endlessly attain new and bigger victories.

Long live the great BCP!

Long live the indomitable Marxism-Leninism-Mao Zedong Thought!

[Signed] Communist Party of Malaya CPM Central Committee, 1 August 1984

CSO: 4213/263

MALAYSIA

PROGRESS IN APPLICATION OF ISLAMIC VALUES REVIEWED

Kuala Lumpur BERITA HARIAN in Malay 2 Jul 84 p 4

[Article: "Application of Islamic Values Offers Many Benefits"]

[Text] Kuala Lumpur, Sunday [1 July]--In the past 2 and 1/2 years, the application of Islamic values in government administration has greatly affected people's lives.

Changes are apparent in government administration where that policy has been taken seriously, a source in the Islamic Consultation Agency said.

The successful application of these values is apparent in the founding of the International Islamic University [UIA], the Bank Islam Malaysia Berhad, the Islamic Insurance Company, the establishment of the Social Action Fund, and the reorganization of the Malaysian Islamic Economic Development Foundation.

Other than noting the establishment of new Islamic institutions in this country, the Islamic Consultation Agency is planning an action guideline to provide clearer understanding of Islam for public servants in particular and for the public in general in the pursuit of the consummate Islam.

Planned Achievement of Goal

The purpose of the guideline, called "Islamic Work Ethic," is to offer guidance to all classes of society for achieving an Islamic attitude toward work. It demands honesty, reliability, diligence, capability, and enthusiasm.

This is one of the government's efforts to restore the golden age of Islam and to prepare for the achievement of that goal in a planned way.

The job of the Islamic Consultation Agency is to ensure that Islamic values are applied on a very broad scale as the decisions demand so that all government policies are in accord with Islamic aspirations.

The proposal to establish a UIA was announced by Prime Minister Datuk Seri Dr Mathathir Mohamad in Al-Ein when he paid an official visit to Saudi Arabia in 1982. The university was inaugurated on 20 May 1983 under an agreement entered into by Malaysia and other Islamic nations as well as the International Islamic Organization.

The university's goal is to reestablish the supremacy of Islam in the field of knowledge, to advance and ensure the advancement of science along with Islam, and to broaden opportunities for and choices of higher education for Muslim students in this country.

The Bank Islam was founded to take care of banking and financial matters without charging interest, to be a financial institution that provides ready service, and as a bank that is based on religious law.

In establishing this bank, the government has moved toward setting up facilities in which Muslims can conduct their financial affairs in compliance with the requirements of Islam.

The source added that for modern economic activities, insurance companies are the second most important institutions after banks, and apparently the insurance system as conducted today does not follow the Islamic system of debt settlement.

The purpose of establishing an Islamic insurance company is to provide facilities and protection to Muslims in particular and to the public in general in a way that focuses on humanitarianism.

The same is true for the establishment of the Social Action Fund and the reorganization of the Malaysian Islamic Economic Development Foundation where the same concept is stressed.

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CSO: 4213/255

MALAYSIA

SARAWAK SCHOOL POPULATION, SCHOOL CONSTRUCTION RISING

Kuala Lumpur BERITA HARIAN in Malay 3 Jul 84 p 4

[Article: "Sarawak Allotted M\$600 Million for Education"]

[Text] Kuala Lumpur, Monday [3 July]--The Education Ministry has allocated some M\$600 million for physical development projects in Sarawak during the First to the Fourth Malaysian Plans.

Mr Ibrahim Thamby Chik, chief secretary to the education minister, said M\$28.6 million was allocated for the First Malaysian Plan, M\$60,544 for the Second Malaysian Plan, M\$238.8 million for the Third Malaysian Plan, and M\$369.02 million for the Fourth Malaysian Plan.

This, he said, does not include management-related matters or the special M\$30 million allocation which was approved recently.

The construction of the Agriculture University campus in Sarawak was not included in the physical development project allocation.

Need for Additional Expenditures

These development projects, he said, include the construction of elementary and middle, vocational, and teacher training schools and education-related services.

According to Mr Ibrahim, the additional expenditure is needed because of the rapid growth in the number of students who need education.

In 1963 there were 104,424 elementary school students in Sarawak. Their number has increased by 100 percent to 216,621.

The number of students who board has also increased from 2,650 in 1963 to 43,365 this year.

In 1963 Sarawak had 36 schools and now has 112.

School construction to support the increasing number of students has risen from 9,616 schools in 1963 to 108,328 at the present time.

The number of students boarded has also increased from 1,934 in 1963 to 46,678, the minister explained.

Sarawak now has three teacher training schools, the Rajang, Batu Lintang, and Miri Teacher Training Schools.

Meanwhile, the minister informed reporters that Sarawak has five vocational schools that can handle some 800 students with 92 trained teachers.

"The public is becoming more receptive to these schools in line with the state government's development goal which is to increase the number of students with technological training," he added.

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CSO: 4213/255

MALAYSIA

FRANCHISE SHOPS TO BE OPENED TO STEP UP BUMIPUTERA PARTICIPATION

Kuala Lumpur BERITA HARIAN in Malay 3 Jul 84 p 1

[Article by Delaila Hussain: "Five Agencies Directed To Open 4,000 Shops"]

[Text] Kuala Lumpur, Monday [3 July]--Five government agencies have been directed to open at least 4,000 shops in Malaysia within 5 years, to be operated under franchise in accord with the New Economic Policy (NEP).

This step is part of a new strategy to modernize petty commercial ventures and to increase on a large scale the participation of indigenous people [bumiputera] in such businesses.

The five agencies that will implement this directive are Pemas Edar Sdn Bhd [privately-owned corporation] (PESB), MARA [Council of Trust for the Indigenous People], Shamelin Cooperative Berhad, the Fima Collective Berhad, and the Federal Agricultural Marketing Association (FAMA).

Businessmen who met with the agencies taking part in that plan felt they were directed to organize a systematic program for carrying out the franchise project.

Mr Hisham Abdul Rahman, PPSB director, said his company is planning to establish within 5 years about 2,000 shops that will be operated under this system.

PESB will divide its commercial activities into two categories, sub-depots, which will be operated in selected areas by wholesalers who represent PESB, and low-price shops.

"PESB will employ some 200 sub-depot managers and 800 low-price shop managers by 1989," he explained.

The first PESB project was launched in Kedah in March by Prime Minister Datuk Seri Dr Mahathir Mohamad to increase the number of bumiputera operating in this field.

Meanwhile, up to now MARA has spent M\$9 million on this new scheme. Nevertheless, it could not be determined precisely how many franchise shops would

be established under this scheme since their establishment will reflect regional requirements.

Mr Rosli Deli, chairman of MARA's Corporated Unit, informed us that MARA had set up three franchise businesses, a fast food shop, a bakery shop, and an automobile repair shop (PUSPA).

"Studies are also being carried out to determine what kinds of commercial ventures can be operated under this system," he said.

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CSO: 4213/255

MALAYSIA

NATIONAL UNIVERSITY CRITICIZED FOR CUTTING BUMIPUTERA ADMISSIONS

Kuala Lumpur BERITA HARIAN in Malay 6 Jul 84 p 2

[Article: "UKM Administration Criticized"]

[Text] Kuala Lumpur, Wednesday [4 July]--Three organizations today criticized the Malaysia National University (UKM) for reducing the admission quota for indigenous [bumiputera] students to that university.

The action taken indicates the UKM has strayed from the major purpose of its founding, which is to train bumiputera as technocrats and professionals.

The organizations made this criticism when asked to comment on a BERITA HARIAN report which said admissions of bumiputera students had dropped from 95 percent of total admissions in the 1970-71 academic year to 69 percent last year. During the same period there was a 180-fold increase in the admission of students of Chinese descent.

The percentage decrease in bumiputera graduates of a number of faculties should not be the sole reason for admitting more nonbumiputera students.

The organizations also criticized the Education Ministry, which only now has begun to study the situation although it was clear earlier that bumiputera admissions were declining and that the situation needed attention immediately.

Mr Abdul Razak Abdul Malik, president of the Malaysian Peninsula Students Association (GPMS), said members of his organization were astonished at the reduced admissions, and a memorandum opposing this step will be sent to the deputy prime minister.

"Haven't our eyes been opened by the achievements of bumiputera graduates in assisting development, and doesn't this also show that bumiputera who have been admitted to any university have brilliantly completed their studies under the quota system?"

Achievements

"The quota system must be established permanently especially in UKM. If bumiputera must compete with nonbumiputera students, let it be done when the New Economic Policy is achieved," he said.

Therefore, he added, a high school or higher education certificate should not be the sole criterion for admission to UKM as a UKM official has required.

Properly, he said, a study of the situation should have been made when the drop in bumiputera admissions became evident without waiting for the situation to worsen.

He also said, to be precise, a study should be made in detail for each faculty and university. An overall study will not ensure that appropriate steps to solve the problem will be taken.

Haji Mokhtar Abdul Rahim, president of the Malaysian Peninsula National Schools Services, said he was disgruntled with the UKM administrators who had reduced bumiputera admission before the New Economic Policy had been achieved.

The time is not yet ripe for UKM to admit bumiputera and nonbumiputera students on the basis of their academic achievements because students' backgrounds must be taken into consideration.

"Studies should be made as needed from time to time so that appropriate steps can be taken to remedy any problem," he said.

A spokesman for the Malaysian Islamic Youth Force also expressed his group's disgruntlement.

"If this is the case, the goals of the bumiputra and of the UKM itself will not be achieved," he said.

The government, he added, must take firm steps to adjust the funding of this program to a university's admission policy.

This would eliminate any action taken by a university to reduce any student's chance of achieving his goal, as has been done.

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CSO: 4213/255

MALAYSIA

BRIEFS

SABAH WATER SUPPLY PROJECT--Kuala Lumpur, Sunday [1 July]--NKK (Nippon Kokan), the biggest civil engineering company and steel manufacturer in Japan, recently completed the construction of a M\$50 million public water supply project in Sabah. The project connects with the Kota Kinabalu water supply system and can supply 48 million liters of water a day for the 100,000 families in that urban area and its environs. The Malaysia Public Works Department awarded the contract for the construction of the project to NKK. Construction included the installation of a 131-km pipeline with steel and asbestos cement pipe from the Tuaran River water source. Local inhabitants provided the labor for the project. The asbestos-cement pipe was manufactured in this country while the steel pipe was imported from Singapore. Mr S. Adachi, the head manager of that project, said the pipe installation was so designed that future additions to the system could be readily connected to the basic system. He added that the pipes were laid from 2 to 5 meters below ground from Telibong to Kota Kinabalu via Turan. With this project, Mr Adachi said, Tamparuli, Tuaran, and several other areas will have no problem in obtaining water. The M\$105 million pipe installation project in Sabah awarded to NKK included the construction of a filtration unit in the Telibong River. [Text] [Kuala Lumpur BERITA HARIAN in Malay 2 Jul 84 p 16] 6804

CSO: 4213/255

NEW ZEALAND

REPORTAGE ON OTHER LABOR GOVERNMENT POLICIES, ISSUES

Labor Checks Transition Law

Wellington THE EVENING POST in English 3 Aug 84 p 6

[Article by Political Reporter Brian Woodley]

[Text] New Zealand's Governor-General has the power to sack the ruling cabinet and replace it with a new one, according to a legal opinion being circulated within the Labour Government.

The opinion, prepared by Professor Ken Keith, a specialist in constitutional law and jurisprudence at Victoria University, has been contested by government legal advisers.

Professor Keith was asked to prepare the opinion the the Monday evening following the July 14 election by the Deputy Prime Minister Mr Palmer, who told the "Post" in an exclusive interview that he was so worried about the situation that night, he wanted advice on whether it was possible for the Governor-General, Sir David Beattie, to dismiss the ministry and swear in a new one that would follow the requirements of the incoming government.

"The opinion was that he did have that power," Mr Palmer said.

Other legal advice, however, was that provisions in the Civil List Act clearly meant that it was not possible to swear in a new government because technically there were no MPs until the writs were returned from the nation's electorates.

"The other view, of course, is that the old MPs still existed until the new ones were declared to be elected," Mr Palmer said.

Changes

The laws controlling transition of powers from one government to the next are now being studied, and changes are likely to ensure that the situation faced by the incoming Labour administration would never be repeated. Mr. Palmer said.

"The fact of the matter is that New Zealand was as close as has ever come in my experience to a constitutional crisis of the first magnitude, on the Monday after the election," he said.

Refusal

"We were faced with a situation where the defeated government refused to implement the measures, or any measures that may be proposed by the incoming government, and seemed also to refuse to do anything about the financial crisis which was facing New Zealand."

In effect, the nation had "no chance of adopting policies that would deal with what was undoubtedly a financial crisis."

The constitutional crisis passed on the Tuesday morning, after an emergency meeting of the outgoing cabinet, when a letter was sent to the Government-elect, saying that its requirements would be implemented.

Mr Palmer said that whatever the legal position regarding the transition, "a situation of that sort of doubt cannot be permitted to continue to exist. It must be clarified."

Proposal

He had sent copies of Professor Keith's legal opinion to relevant legal offices within government departments, asking for comment. He had also had discussions with the people in some of those offices.

Mr Palmer said he wanted proposals that could remedy the situation, either by amending the Civil List Act or by some other action. Another option was to institute provision for two or three ministers of a new government to be sworn in immediately after an election to act, in the interim, on behalf of the incoming administration.

Another option was to shorten the transition period. In New Zealand it takes about two weeks before the writs are returned and a changeover can be implemented. In other parliamentary systems the process can be completed within 24 hours.

Mr Palmer said these arguments all needed to be carefully canvassed.

Involved

"As a person who was centrally involved in the changeover, the amount of work involved in changing over the New Zealand government in the middle of the year, when it's functioning at full blast, is far from simple.

But people should be clear on one point, he said. The circumstances of the election aftermath were unconscionable and dangerous to the public good, and must never happen again.

Cabinet Structure Reshaped

Wellington THE EVENING POST in English 4 Aug 84 p 2

[Article by chief parliamentary reporter Tony Garnier]

[Text] Sweeping changes to New Zealand's traditional system of government administration are foreshadowed in a new cabinet committee system approved this week.

The cabinet committee system of the previous government has been formally abolished, and an entirely fresh structure put together.

A new senior policy committee has been put in place, with five sector cabinet committees, which will have responsibility for expenditure in those sectors.

The new system was put together by the deputy Prime Minister, Mr Palmer, and approved by the cabinet at its first formal meeting last Monday.

The five sector committees and chairmen are:

- Social equity, the Minister of Education, Mr Marshall.
- Development and marketing, the Minister of Overseas Trade, Mr Moore.
- Transport, communication and state enterprises, the Minister of Transport, Mr Prebble.
- External relations and security, the minister of Defence, Mr O'Flynn.
- Management and state employment, with an industrial relations subcommittee, both the Minister of Labour, Mr Rodger.

The new cabinet policy committee will be chaired by the Prime Minister, Mr Lange. It comprises Messrs Lange, Palmer, Moore, Douglas, Prebble, Caygill, Marshall and Moyle. Its terms of reference include defining policy objectives and evaluating major social and economic proposals.

According to an official circular the cabinet policy committee is designed to permit continuing attention "to broad policy issues and the achievement of clarity, coherence and integration of policies."

The new system replaces the traditional set-up that comprised a cabinet economic committee, and committees such as labour and education.

As well, the new system has three other cabinet committees--legislation (Mr Palmer), terrorism (Mr Lange) and honours and appointments (Mr Lange).

Cabinet has also told permanent heads of departments that in future the attendance of officials at cabinet committees is to be restricted to not more than two from each department that has a direct interest in the topic under discussion.

Mr Moore's new cabinet development and marketing committees involves all the economic portfolios from agriculture to works and development.

Among its terms of reference are to plan and co-ordinate policies to improve economic performance, including the development of primary and secondary industry, and internal commerce.

The committee on transport, communications and state enterprises has among its tasks reviewing and evaluating the activities of all state-owned enterprises.

The social equity committee is instructed to address issues relating to social equity and justice and to fashion policies to redress imbalances.

The cabinet management and state employment committee will keep under review public service policies on the responsibility and authority of permanent heads, and the monitoring, reporting and control of systems under which public servants are held accountable.

Government by Consensus Envisaged

Wellington THE EVENING POST in English 4 Aug 84 p 2

[Text] A new style of government and co-operation between sectors for the good of New Zealand is envisaged by the Prime Minister, Mr Lange.

He told of his hopes while formally welcoming the 11 members of the steering committee he has hand-picked to organise the all-sector conference Labour promise during the election campaign.

Mr Lange told the gathering at Paliament that the rewards from the conference, due to begin next month, would be felt beyond the present generation of New Zealanders.

"I want you to declare the goals, tell us where we have started, and see where we will be a decade hence.

"I look forward to a whole new style of government where people of various sectors believe in their civic duty to work with each other."

Mr Lange told the committee that the Government's objectives in holding the conference were to present a new style of government which encouraged discussion and promoted unity and co-operation among various sectors.

Other aims included:

--understanding the nature of the extent of New Zealand's economic problems and the weaknesses of the current position.

--discussing key issues and seeking endorsement of policies necessary to restore balance and achieve growth, employment, justice and equity.

--getting a commitment from conference participants to assist in dealing with the economic problems.

Labor Parliamentarians Accountable to Party

Wellington THE EVENING POST in English 4 Aug 84 p 2

[Text] The parliamentary wing of the Labour Party in government will be more accountable to the rest of the party after decisions passed yesterday during the first meeting of the movement's ruling body since the election.

Labour Party president Mr Jim Anderton announced the moves at the end of the first day of a meeting of the Labour Party's dominion council at Fraser House in Wellington until tomorrow.

He said one of the lessons Labour could take from National was that a party could not afford to lose the support of its membership.

"There is a danger in government that minister can become cut off, particularly with the Beehive where you have got to virtually wade through security guards."

Mr Anderton said one change would involve a new style of Labour Party annual conference. Labour cabinet ministers would be exposed to as wide a range of consultation with delegates as possible.

The other change involved the setting up of the 1987 election campaign committee right away. The campaign committee for last month's election met for the first time 12 months before the election, he said.

The 10-member committee would work right through for a Labour victory in 1987. "We are well aware of what happened in 1976, and are determined it won't happen again."

Mr Anderton said the parliamentary and organisational wings of the party would have five members each on the committee, which will be chaired by the new president, Ms Margaret Wilson.

On the organisational side members would include the president, the junior and senior vice-presidents, and the chairmen of the finance and administration, and the marginal seats committees.

These posts are now held by Mr Anderton, Ms Wilson, Mr Stu McCaffley, Ms Helen Clarke and Mr John Hercus respectively.

Mr Anderton, now the MP for Sydenham, is not seeking the presidency again and with Ms Wilson's unopposed elevation to the post there will be one vacant place among the organisational wing's five members.

On the parliamentary side membership will include the Prime Minister Mr Lange, his deputy, Mr Palmer, the chief whip, Dr Michael Cullen, and two other MPs who will be elected by the caucus.

On party organisation, Mr Anderton said he agreed with Opposition leader Sir Robert Muldoon that National had been badly organised during the campaign.

Coal Policy Review Considered

Auckland THE NEW ZEALAND HERALD in English 9 Aug 84 p 1

[Article by Energy Reporter]

[Text] The Minister of Energy, Mr Tizard, is considering drastic changes to long-standing coal, gas and electricity policies to try to relieve the growing pressure on Waikato coal supplies.

Faced with inherited policies, which require Waikato coal production to quadruple in seven years, Mr Tizard wants to look at a series of interlinked measures which could see:

--The Marsden A and the mothballed Marsden B power stations converted from oil to burn South Island coal and used as base-load stations, removing the need for new power pylons through Auckland to Northland.

--A halt to coal-firing at the Huntly thermal power station and an increased use of Maui gas at Huntly and at the New Plymouth power station.

--The diversion of coal that would have been used at Huntly to New Zealand Steel's Glenbrook mill to remove the urgency to develop the planned opencast coalmine at Ohinewai.

--The postponement, or even abandonment, of plans for further Think Big projects based on the liquids in Maui gas, so as to free more gas for power generation.

Mr Tizard said he wanted to take the pressure off Waikato coal supplies to allow time to overcome the various production problems there.

The 1983 Energy Plan calls for Waikato coal production to rise from the 860,000 tonnes of the last financial year to 3.2 million tonnes by 1991, chiefly to meet electricity demand and the expansion of the Glenbrook steelmill.

Mr. Tizard said he particularly wanted a "breathing space" to consider the scheme for a 920,000-tonnes-a-year opencast mine at Ohinewai, which the National Government was pushing through with urgency to meet the steel-mill's needs.

Seven Years

He said that, by burning gas rather than coal at the 1000-megawatt Huntly power station, New Zealand Steel could be supplied from the Huntly area mines for seven years, rather than five.

This would allow more time for a thorough investigation of the Ohinewai project.

The immediate effect of greater use of gas for power generation would be to cause a reassessment of plans by the Maui gasfield owners for petrochemical industries based on the so-called gas liquids--the butane, propane and ethane in the gas stream.

Mr Tizard said that if the gas liquids industries were established, there would be less gas for power generation and the compressed natural gas industry could be harmed because stripping the liquids would reduce the range of CNG-fuelled vehicles.

"I am very concerned about that, because I want to encourage people to go to NG, not frighten them off."

Steady Work

South Island coal could be used at a rebuilt Marsden A and its adjacent, never-commissioned sister, Marsden B, to provide power supplies only to Northland but also to Auckland.

Such a scheme would have several benefits, he said, including providing steady work on the West Coast, removing the need for upgraded, bigger power pylons through the Auckland isthmus and postponing the need for another big coal-fired power station in the Waikato.

Mr Tizard saw the Marsden stations' being used as base-load (24-hour) stations, rather than as peak period stand-bys, which Marsden A is now.

He also wanted to look at exploiting the Mokau coalfield on the fringe of North Taranaki, and at further development of geothermal power, especially from the Ngawha field in Northland, where a power station could be linked with the use of steam for horticulture and forest industries.

CSO: 4200/983-E

REPORTAGE ON LABOR PARTY POLICY, REACTION CONTINUES

Attache's 'Concern' on Antinuclear Policy

Wellington THE EVENING POST in English 2 Aug 84 p 6

[Letter by Air Commodore Ian M. Gillard (ret.), former defense attache to Washington: "Risks in Being Nuclear-Free;" first two paragraphs are THE EVENING POST's introduction]

[Text]

New Zealand's former defence attache in Washington, Air Commodore Ian M Gillard (retired) has written to the "Post" to express his concern that the opinion of ordinary citizens is not being taken into account on the future of Anzus.

He notes that the pressures being brought to bear on the Prime Minister, Mr Lange, by "radical elements in the Labour Party," and by "vocal pressure groups in the community," do not, as far as he is able to judge, give due recognition to the adverse consequences of undermining the special relationship we have with the United States.

"To claim that the aims and objectives of the Anzus Treaty are outmoded, because it was conceived and ratified some 30 years ago, is a specious argument.

"It could be equally claimed that New Zealand's membership of the United Nations is irrelevant on the same grounds.

"No citizen could responsibly claim that New Zealand should withdraw from the United Nations.

"The vociferous groups opposed to Anzus, and visits to our ports by nuclear-powered US naval vessels, are not accountable for the consequences of the course they propose. From the

quality of the arguments offered by these individuals and groups, it is patently evident that they choose through ignorance or intellectual dishonesty, to only superficially weigh the advantages and disadvantages of our relationship with the United States. Our new Government does not have the luxury of pursuing a naive idealistic course, for whatever is to be decided will have long-term effects, affecting the whole population and not just the small percentage of vocal opponents to the United States connection," he says.

"For three years until December last year I was

this country's defence attache in Washington, working on a daily basis with American defence and foreign affairs officials. I am compelled to say that, if officials here are swayed to the view that closing our ports to US naval vessels will have no adverse effect on our relationship with our Anzus partners, then they will be guilty of a serious error of judgment.

"When our ports were closed to these visits in the past, a quite different administration was conducting United States' international affairs.

"The present Administration, has judged the world to be seriously threatened by Soviet militarism. It pursues a policy

of confronting the buildup in association with friends and allies, because they know that they can no longer carry that burden alone. New Zealand, along with Australia, are countries that the Americans regard as "special" friends, who have a role to play in the Pacific, and which relieves them of having to devote ill-affordable resources to preserving stability in the Pacific and South-east Asia. Thus, to lightly dismiss American concern about our willingness to act as a full partner in providing this stability, is to misconstrue the facts," Air Commodore Gillard adds.

"The concern of those who deplore the plethora of nuclear weapons would have greater validity, if those concerns were more pragmatic, and less intellectually dishonest.

"Declaring the South Pacific, or any other place, nuclear free, will not for a moment stop an international bully from using nuclear weapons here if they thought there would be no retaliation.

"Common sense strongly suggests no amount of peaceful protest will convince the Soviets to dis-

arm; at the moment they are not even prepared to talk about reducing the number of short range missiles deployed in Europe and Asia.

With a nuclear powered and nuclear armed fleet in the Pacific, larger than the whole United States Navy, the Soviets are certainly not going to be influenced, or deterred, by New Zealand declaring nuclear free zones.

"They would, however, gain great comfort from New Zealand limiting the freedom of movement of American naval vessels. The anti-nuclear lobby is naive if it believes any advance can be achieved, without the co-operation of the communist government of the Soviet Union.

"The United States Secretary of State, when he said in Wellington recently, 'what sort of alliance would Anzus be if the armed forces of the two countries could not get together? touched upon another aspect of the United States-New Zealand relationship. It is vital for New Zealand military personnel to have regular contact

with larger friendly forces to keep abreast of technology, and to use as a yardstick as to their own competence. Denying US naval ship visits would reduce contact between the two navies to the detriment of the RNZN, and give advantage only to the Soviet Union, the Air Commodore notes.

"As a parting shot across the bows of the anti-everything lobby, may I say that the average complement of a US cruiser is about 550 men. If each sailor spent \$US300 on a visit, and victualling of the ship is taken into account, we would benefit to the tune of several hundred thousand dollars of foreign exchange! And, contrary to the doomsday theory, without surrendering an iota of our sovereignty, or security!

"I believe there are a majority of sound-thinking New Zealanders, who think as I do, who are not heard in the clamour of emotionalism and politicking, that has distinguished the one-sided debate on Anzus, and nuclear-powered US naval ship visits," Air Commodore Gillard concludes.

Former Defense Official: ANZUS No Loss

Wellington THE EVENING POST in English 3 Aug 84 p 6

[Text]

New Zealand's first secretary of defence, Sir Jack Hunn, now retired, says he would not be sorry if the United States pulls out of Anzus over the nuclear ships access issue.

Most people do not want United States nuclear warships visiting New Zealand ports, Sir Jack, who was the defence secretary during the early 1960s, said in an interview.

Sir Jack became the administrative head of the Defence Department in 1963 upon the merger of the Army, Navy and Air Force Departments.

Stroppy

"I personally wouldn't mind if the Americans got stroppy and said: 'Sorry Anzus is off,' he said from his Waikanae home.

While he supports the stand taken by the new Government against nuclear visits, he cautioned the Prime Minister, Mr Lange, about being provocative and painting New Zealand into a corner.

"I don't think as a matter of Government policy they should do anything provocative. Anzus should just be let to wither on the vine like Seato."

Symbol

Sir Jack said Anzus was little more than a symbol of constant friendship between New Zealand and the United States.

"It is not a military commitment from either side."

He said Anzus did not give New Zealand any commitment from the United States on defence. US presidents no longer had the power to send in their forces to other countries for any length of time.

And American politicians would not send their young men to fight for New Zealand if the country had no strategic importance to their own country.

Sir Jack said if New Zealand was strategically important to the US we would get its military help with or without Anzus, and with or without visits from nuclear ships.

On nuclear visits, he said most people did not want them. "I think the general consensus is we shouldn't have them. It is the right thing to do."

Moral protest

"When they tie up their nuclear ships in Brooklyn Navy Yard (New York) they might have a point. But why allow them to tie up in our cities when they won't have them in theirs."

"... I regard them as an offence (nuclear weapons) and an obscenity. Any protest says: 'Get the hell out of here.' It's a moral protest. New Zealand can afford to exercise that moral stand."

No shield

He said Anzus has been made out to be something it was not because of the attitude of successive politicians.

"It is the alleged justification for having nuclear ships in our ports. We only went in to Vietnam because of this allegation."

Pressure

"Everybody regards it as a form of protective shield and it is not."

Sir Jack said New Zealand had no enemies.

But two possible future enemies were Japan and Indonesia.

Japan was a potential enemy because of the pressure its Government was under from President Reagan to rearm. "The samurai spirit is endemic in Japan."

Indonesia could become hostile in the future but it would have to take out Australia before New Zealand, he said.

Defence

Sir Jack said New Zealand's defence future lay with Australia. Twenty years ago Lord Mountbatten told him that New Zealand should stop trying to build a replica of Britain's army, navy and air force.

He had said New Zealand should have one service under one command with a structure designed for New Zealand.

Sir Jack said he tried to push this idea but it was vetoed by the then Defence Minister, Mr Dean Eyre.

Weapons

Australia needed continental weapons like tanks. New Zealand needed a hard-hitting mobile force. The military should study the topography of the country and catalogue all of the top-dressing airfields for use by vertical take-off-and-landing aircraft.

Instead of maintaining the present structure because of snobbery defence authorities should call in advisers from Israel or Yugoslavia to help design a defence force suited to our needs.

Close links with Australia were needed and compatibility of equipment was necessary. "Our defence objectives are linked," Sir Jack said.

Political Maneuvers, Possible Moderation

Broadway, Australia THE NATIONAL TIMES in English 20-26 Jul 84 pp 3, 4, 5

[Article by Geoff Kitney in Wellington]

[Excerpts]

FOR a time in Rugby football the flying scrum was used as a particularly effective method of crushing the opposition defence.

This week in Rugby-mad New Zealand the flying scrum was used as a political weapon to stun the nation's new leader, David Lange.

US Secretary of State George Shultz and the heavies from the US State Department and armed forces were in the front row, Australian Foreign Minister Bill Hayden and Defence Minister Gordon Scholes and their advisers formed the second row. Outgoing, outrageous Prime Minister Sir Robert Muldoon could most appropriately be described as the hooker.

The Americans, the Australians and Muldoon were't exactly playing for the one team — although, for different reasons, they were all playing against Lange. What bound them together in the political ruck was the most powerful of political forces: self-interest.

The American interest was to ensure that a small and relatively unimportant South Pacific country did not set a precedent that might be followed by other, far more important allies.

The Australian interest was to ensure that the New Zealand Labour Government did nothing that could be used as a lever by sections of the Australian Labor Party for policies less supportive of the American global military strategy.

Muldoon's interest was in clinging to the last vestiges of power for as long as possible

and making the transition to government by Labour as difficult as possible.

The combined impact of these forces knocked the stuffing out of Lange's victory celebrations. Within 48 hours of an historic election win he had major economic and foreign policy crises to deal with.

The first gales of winter which lashed Wellington with hail, sleet and snow on the day after the election landslide brought with them the ice winds of political reality for David Lange and his starry-eyed colleagues.

As the elements battered the city and gave it a brooding, forbidding countenance, the political toughs of three nations, in pursuit of their separate objectives, buffeted the infant administration.

But just as the flying scrum, which quickly went out of favour because of the serious injuries suffered by the players of both sides, the political equivalent proved just as dangerous for the politicians.

The big casualty — although it is impossible to feel any sympathy for him — was the outgoing Prime Minister. Showing contempt for the most basic principles of the democratic process, Muldoon tried to continue exercising political power after he and his Government had been overwhelmingly rejected by the electorate.

In conflict with constitutional convention, Muldoon refused to accept the advice of the Prime Minister-elect to devalue the dollar. Patronisingly, he argued that Lange did not understand the realities of government.

The outrage felt by Lange and his yet to be sworn-in government was shared by a large proportion of Muldoon's defeated Cabinet which forced him to back down and act according to convention by agreeing to implement Lange's recommendation for a 20 per cent devaluation of the troubled New Zealand dollar.

Any credibility the outgoing Prime Minister had left was wiped out by this bizarre action.

Bill Hayden is also a casualty. The impression in the Labor Party — predictably from the Left but more seriously within the Centre-Left — is likely to be that Hayden sided with the very conservative Americans against the party's fraternal colleagues across the Tasman on the nuclear ships issue.

David Lange comes out of the first few days after his election victory politically bruised and confused about who his real friends are. And if he was not fully aware of it before last Saturday, he must now see how daunting is the dual task Labour has set itself — restoring the economy to health and asserting a different stance for New Zealand in international affairs.

In a very important sense the nuclear ships issue is relevant to both the economic and foreign policies of the new Government.

For although he denied at the post-ANZUS press conference that the US would respond with economic sanctions against any decision by New Zealand to prohibit American nuclear-powered or armed warships from New Zealand ports, both American and Australian officials in Wellington said privately that economic retaliation should not be ruled out as a possible response.

The prospect of economic retaliation — be it covert or overt — is a matter for very serious contemplation by the New Zealanders.

The economy Lange and his Government have inherited is in serious trouble. The outlook is for an unavoidable fall in living standards unless new markets can be found for New Zealand produce. The loss of existing markets for its exports as a consequence of American anger at a New Zealand snub to its navy could be crippling.

The suggestion that the US would take such harsh measures might appear to be disproportionate to the problem. Only a handful of American warships visit New Zealand ports. There are none planned for at least the remainder of this year and

between 1964 and 1976 three successive governments banned nuclear ship visits.

The Americans concede that New Zealand has no real strategic significance and that an end to visits to its ports would not create any problems for the operations of its Pacific and Indian Ocean fleets.

The concern about the New Zealand Labour Party's policy is the example it will set. With increasing nervousness about nuclear weapons around the world, governments are questioning the wisdom of having warships powered by nuclear reactors and armed with nuclear weapons in their ports.

The number of nuclear-free ports is growing, including some in the US. With the American Navy moving to fit many of its warships with the nuclear-armed Tomahawk cruise missile, the concern is being heightened.

Some strategically important countries, including Greece, the Netherlands and Japan, which currently provide porting for the US navy, are coming under strong pressure to declare their ports nuclear-free.

A decision by New Zealand, seen as a conservative nation strongly supportive of US policies, to ban American warships from its ports is regarded as having a potentially catalytic effect which could create substantial problems for the US global strategy.

The first flow-on might well be to Australia. It was significant that at the ALP national conference important members of the Centre-Left faction indicated their support for restrictions on US nuclear ships entering Australian ports. If New Zealand implemented a nuclear ships ban, the pressure for a similar Australian ban might be irresistible.

Secretary of State Shultz and Australian Prime Minister Bob Hawke are understood to have discussed this possible consequence when they met at The Lodge last weekend.

Their private meeting appears to have been significant in determining the position Australia took in the Wellington ANZUS Council meeting.

According to some officials, Hawke agreed at that meeting with Shultz that access by both ships and aircraft was essential to the continuing effectiveness of ANZUS and that it was important that the ANZUS communiqué emphasised that point.

The final communiqué in Wellington said: "Access by allied aircraft and ships to the airfields and ports of the ANZUS members was reaffirmed as essential to the continuing effectiveness of the Alliance."

Hawke's support for the US position is consistent with his strong commitment to the alliance and confirmation that he wants to avoid any possibility of having the relationship he has developed with President Reagan and Shultz jeopardised.

His particular support on this issue, however, was vital for Shultz on the eve of the ANZUS talks.

It is clear that the Americans had made up their minds when the New Zealand election was called to move quickly, with Australia's support, to head off NZ Labour's anti-ships policy.

On June 25, in a speech at Pennsylvania State University, the State Department's assistant secretary for East Asian and Pacific affairs, Paul Wolfowitz, made a strong intervention on the issue, arguing that the US attached "critical importance" to the opportunity to use Australian and New Zealand ports which provided ready access to the South Pacific and Indian oceans.

"We view Australia's and New Zealand's willingness to allow us use of their ports as part of their contribution to ANZUS," he said.

American officials in Wellington this week claimed that Wolfowitz had planned to say something even stronger but, because of New Zealand sensitivities about interference in their politics, had toned down his remarks.

Nevertheless the intention was clear and was confirmed by the fact that US Ambassador Munroe Browne released a copy of the speech in Wellington, together with a statement drawing attention to the comments on nuclear ships.

Lange was very angry about the American intervention and complained about it.

Significantly, despite attempts by Muldoon to run with the American statement and make the threat to the ANZUS alliance an election issue, there is no evidence to show that it cost Labour votes.

Labour officials claim that in fact voters shared Lange's resentment at apparent outside interference in New Zealand politics and that the issue backfired on Muldoon.

There is no substantive evidence, however, to indicate that the ANZUS-nuclear ships issue was a big vote winner for either party although there is clearly a strong community-wide concern about the nuclear issue. This is confirmed by the fact that two thirds of New Zealand local government areas have been declared nuclear-free zones.

The US Administration seems little concerned about the domestic political significance of the issue and sees it as an issue beyond New Zealand politics.

In fact, in the talks in Canberra before they departed for the ANZUS meeting, the American officials indicated strongly that they saw the New Zealand Labour policy as being untenable within the spirit of the ANZUS agreement and that if it was implemented, in the Reagan Administration's view, ANZUS would cease to exist.

Shultz indicated that the US would seek to negotiate a new bilateral defence agreement with Australia in those circumstances.

The extent to which Australia was locked in behind the US in Wellington can be measured by the fact that in the council meeting there was no discussion of the wording of the statement on nuclear ships.

The drafting of that paragraph was completed by officials and was in fact virtually unchanged from the first draft submitted by the New Zealand delegation, which they were obliged to submit as the host government. The New Zealand delegation was led by the Muldoon Government's Foreign Affairs and Defence ministers.

Australian officials considered two alternative proposals. One was that because of the delicacy of the political situation in New Zealand no detailed communiqué would be released — but it was felt that in view of the Hawke-Shultz discussions this would not be possible.

However, through Hawke and Hayden, Australia did influence events to the extent that they persuaded Shultz to allow the Lange Government some breathing space on the nuclear ships issue.

The argument they both put was that the Labour Party processes were such that if Lange was going to be able to draw back from his party's anti-nuclear ships policy he would need time to achieve it.

But it is far from clear that Lange has the authority, let alone the inclination, to dump the policy which was overwhelmingly backed by the party at its national conference last year and which is binding on the Government.

At a press conference to announce the composition of his 20-member Cabinet Lange, in a sharp aside to reporters, said Labour would stand firm on the policy.

But after Lange had private talks later in the day with Hayden and then with Shultz, officials said there were indications that Lange saw a chance of softening the policy in a way that would be acceptable to the Americans.

Lange's difficulty is that, despite leading Labour back into power after nine years in the wilderness, his authority as party leader has yet to be tested.

Surprisingly on Tuesday, at the first Caucus meeting after the election, several Caucus members showed little respect for Lange's authority and attempted to prevent him from speaking at one stage.

Lange is aware that the party president Jim Anderton, who was elected to Parliament last Saturday, has strong leadership ambitions. It is felt that if Lange stumbles there will be pressure on

his leadership from Anderton.

Although the US and Australia have given Lange time to work out his position on nuclear ships, it is doubtful that he can allow the issue to become a focus of disaffection within the ranks of his new Government. He is likely to be strongly advised to clear up the issue quickly, either by affirming the party policy or by accepting the ANZUS communiqué statement that ship visits are essential.

The clear danger for Lange is that if he is seen to cave in to international pressure on the nuclear ships issue or is seen to be vacillating over a matter of considerable emotional significance in the party, the Labor Caucus might form itself into a flying scrum and bundle him out of the party leadership.

However, Lange's preference might be to put the ANZUS issue onto the backburner and to concentrate his energy in the first few months of government on tackling the nation's desperate economic problems.

Given that it was economic issues that won the election for Labour and that the issue of nuclear ships visits was peripheral, he may see little value in taking the risk of a split by trying to change the policy on nuclear ships.

U.S. Trade Retaliation 'Unlikely'

Wellington THE EVENING POST in English 1 Aug 84 p 16

[Article by Peter Bale]

[Text]

The United States is unlikely to take punitive action against New Zealand farm produce exports as a result of the Labour Government's ban on nuclear ship visits.

That is the belief of New Zealand Meat Producers Board North American director Mr Maurice Jones who is back in New Zealand with the board's three other overseas directors for a conference reviewing the board's past year and assessing the future.

New Zealand had "very harmonious relations" with the US Administration, and although its goodwill was critical to the maintenance of the US as our biggest market for meat he did not think the ship ban would bring "punitive action."

"I don't think one particular thing we do in this country will count against us," said Mr Jones.

On the North American market as a whole, Mr Jones, said protectionism was the biggest battle to penetrating further into a lamb market in which New Zealand's share had dropped from 10 to 4 percent.

There was no real history of lamb eating and our frozen, even cut products did not match the American lifestyle, he said.

Pricing was also a problem, especially when frozen lamb was being sold at prices similar to those for locally produced fresh lamb and way above competing white meats.

American lamb loin chops were priced as high as \$6 per

pound, while pork was available for half that price, and poultry for as little as 49 cents a pound.

Stocks

On the European scene, the board's new European director, Mr Erik Trautmann, a Dane, believed the board would ship around 140,000 tonnes of lamb to the European Community this year with total sales projected of around 180,000 — the difference coming from stocks already there.

This was despite the voluntary restraint agreement secured by New Zealand which gives access for 245,500 tonnes of sheepmeat.

Mr Trautmann acknowledged that there was a danger the European Community might push for the lowering of this figure because shipments had not matched it for several years.

While admitting that tonnages into, and prices from, the United Kingdom market had been static for as long as five years, Mr Trautmann said further processing — carried out where ever it was most economic, offered some opportunity for growth.

These areas included grocery items from New Zealand sheepmeat and special products for the catering and hotel and restaurant trades.

The board was also working with its eight-agent network in Britain to develop a more consistent image for New Zealand frozen lamb, said Mr Trautmann.

In the Middle East live sheep sales would boost New Zealand's image and the taste for its frozen product, according to the board's Middle Eastern director Mr Trevor Stewart.

While it was not a way to dispose of old ewes he said, there was a big demand and big prices could be had for two to three-year-old wether animals, Mr Stewart believed.

In Japan the Meat Board had taken on a fight with the might of the Japanese trading houses and looks like winning, according to Asian director Mr Graeme Harrison.

The board's new approach to the Japanese market saw it dealing directly with its end users, rather than through the trading houses as agents.

While this had caused ructions among traditionalists in Japanese business, both the board and clients found it improved their contact, sales and prices.

However the Japanese market was under severe pressure from cut price Australian products, said Mr Harrison "maybe we've been too successful in the Middle East" said Mr Harrison.

(Australians have long complained that New Zealand pushed it out of the Middle East sheepmeat market.)

Market

New Zealand was actually increasing its share of the contracting market, according to Mr Harrison.

The sheepmeat market in Japan had fallen from a high of 148,000 tonnes in the late 1970s to no more than 80,000 tonnes this year.

In the year January to June this year however, New Zealand sales totalled 23,145 tonnes, up from 17,359 in the same period last year, while the Australian share had gone from 29,600 last year to 18,502 this year, Mr Harrison declared.

Trade Union Conciliation Offered

Christchurch THE PRESS in English 27 Jul 84 p 1

[Article by Oliver Riddell in Wellington: "F.O.L. Pledge for Conciliation"]

[Text]

An abatement of the high level of conflict and Government intervention in industrial relations has been predicted under a Labour Government, by the President of the Federation of Labour, Mr Jim Knox.

He promised conciliation rather than confrontation in the meat industry in a wide-ranging address to the annual conference of Federated Farmers.

"I trust that my presence here today is indicative of a mutual desire to foster a dialogue between the trade union movement and the farming community," Mr Knox said.

"We don't want to be in a state of confrontation with farmers, or any other group."

He recommended regular three-monthly meetings between representatives of the F.O.L. and Federated Farmers, and meetings more often if an urgent matter arose.

The offer was accepted by the president of Federated Farmers, Mr Peter Elworthy.

"Let us put the past behind us," Mr Knox said. "Issues like the export of livestock are better talked around than fought out."

The union wanted a self-reliant and sustainable development of the meat industry with safe and reasonable working conditions. Workers needed to be part of the planning process in

the meat industry along with the other affected parties.

The meat industry was a "conflict industry," he said, and for a long time the agricultural community had been concerned about the industry's rising cost structure. Farmers had described killing charges as excessive.

The disagreement between farmers and processing-plant owners about killing charges had been turned into a disagreement between farmers and meat workers.

Statistical evidence tended to suggest that freezing workers did not affect farmers' incomes significantly, Mr Knox said.

Processing costs in the industry accounted for only

20 per cent of costs.

Mr Knox said meat Industry Research Institute studies estimated that processing costs accounted for about 16c in the meat export dollar compared with 22c for returns to farmers, 33c for transport, and 24c for wholesale margins.

The industrial climate in the meat industry would improve when the workers were allowed to negotiate with their employers on the important changes occurring in the industry. Not to be able to do so led to frustration and anger.

"We want a healthy and vigorous meat industry too, and will do our part to ensure it, I promise you," Mr Knox said.

Lange: No 'Bonanza' for Trade Unions

Christchurch THE PRESS in English 1 Aug 84 p 2

[Text]

Trade unions could not expect any immediate reward for their efforts to achieve a Labour victory in the General Election, said the Prime Minister, Mr Lange, in Christchurch yesterday.

In his first big speech since he became Prime Minister, Mr Lange echoed a theme of his campaign addresses, saying there would be no "bonanza" for the supporters of the winning party.

Speaking at the annual conference of the New Zealand Engineers' Union, Mr Lange said that he acknowledged the debt he owed the trade union movement. It had worked for the Labour Party without expecting an immediate reward.

"Your reward will be nothing more than what is fair. Your reward will be nothing less than you deserve. The measure of your achievement is that the work you did to secure the Labour victory will benefit not only the Labour Party,

not only the trade union movement, but the whole of New Zealand," he said.

The Labour Government shared the wish of unions to see that justice was done quickly to the low-paid and families struggling on low and middle incomes. It would also do justice to the status of the union movement.

Mr Lange praised unions for their restraint in the face of "provocation" by the National Government in introducing voluntary unionism and its action against the Marsden Point workers. It had tried to "set up" the union movement to have a reason to call an early election.

"It is possible and desirable for the trade union movement to play a part in the remaking of New Zealand. We shall not have industrial relations which are some kind of political lottery," Mr Lange said.

The option of a return to the old system of the unqualified preference clause

for union membership was needed because proper rules of conduct were needed in industrial relations. But this was only a starting point for the remaking of industrial relations.

Mr Lange gave few details about the Government's plans for a return to free wage bargaining, however.

He repeated his earlier comment that an opportunity for a limited wage round might come after the proposed economic summit conference and the Budget in October.

"That will take place on the basis of principles which we will have determined for future long term wage-fixing," he said.

"But we should also consider the possible limits on collective bargaining. Collective bargaining may be held to be appropriate where there are shortages of labour, where there are productivity gains, and where industry is expanding and needs to attract labour

from elsewhere in the economy.

"We should be looking for a wage-bargaining system which permits greater flexibility in its results in particular industries, occupations, and enterprises."

Mr Lange attacked the economic management of the former Prime Minister, Sir Robert Muldoon, saying he had deliberately chosen to ignore fundamental structural problems in the economy.

"He has betrayed New Zealand and has sentenced all of us to years of a lowered standard of living as we try to work our way

out of his mistakes."

Sir Robert had ignored advice that the New Zealand dollar was overvalued, and about the weakness of the balance-of-payments situation and the accumulation of the external debt. He had made devaluation an election issue, encouraging the flight of capital overseas, he said.

"He has taught himself the vocabulary of economics over the years, and he has proved right every word that was ever written about the dangers of a little learning," he said.

After the election New Zealand "went to the brink" and there was a real danger

of defaulting on international financial obligations.

"That was appalling enough. What made it worse was that the departing Prime Minister chose to play politics with New Zealand's future," he said.

Sir Robert would have "let our country go to the wall so that he could embarrass his political opponents."

After his address, Mr Lange answered questions from the floor of the conference, but this session was not open to the news media.

Cartoon Hits Muldoon 'Parting Shot'

Christchurch THE PRESS in English 27 Jul 84 p 1



Muldoon Rejects Role in Government

Wellington THE EVENING POST in English 1 Jul 84 p 1

[Text]

The Leader of the Opposition, Sir Robert Muldoon, said today he would need to be accorded status of a minister if the Prime Minister, Mr Lange, was to honour his promise of finding a role for Sir Robert in the international debt payments issue.

Sir Robert said Mr Lange's offer had turned out to be play acting and empty rhetoric. Mr Lange said yesterday that Sir Robert had "spurned" his

original offer of aid, and as Leader of the Opposition would only get such specific travel as judged to be in New Zealand's interests.

Sir Robert said he would continue his work on international economic issues, but would have to get someone else to sponsor him, "or pay for it myself."

He said he had received encouraging messages on this work from the Prime Minister of Singapore, Mr Lee Kuan Yew, and the chairman of Warburgs, Lord Roll, an experienced British financial adviser.

CSO: 4200/981

PRO-MOSCOW SOCIALIST UNITY PARTY ON LABOR PARTY, ANZUS

Statement Welcomes Labor Win

Auckland NEW ZEALAND TRIBUNE in English No 332, 23 Jul 84 p 1

[Statement by George Jackson, national secretary of the Socialist Unity Party, dated 15 Jul 84, place not given.]

[Text] The Socialist Unity Party welcomes the victory of a Labour Government in New Zealand.

It puts before the people an opportunity to give a lead in strengthening anti-nuclear policies in the South Pacific and tackling the problems of unemployment and economic upsets, by meeting people's needs as the top priority.

ANZUS 'Related Only to U.S. War Machine'

Auckland NEW ZEALAND TRIBUNE in English No 330, 28 Jun 84 p 8

[Unsigned commentary: "ANZUS--What's in it for Us?"]

[Text]

ALTHOUGH ANZUS is clearly now related only to the American war machine, Muldoon sees it as New Zealand's security. How do Americans see it?

Mr A.I. Seldon Junior, retiring US Ambassador to New Zealand:

"Opposition to any of our ships entering New Zealand waters would hamper us in what we see as our responsibility under the alliance. [ANZUS]"

Henry Albinski, Professor of Political Science and Director of the Australian Studies Centre at Pennsylvania State University, in the *Auckland Star* [21.6.84]:

"The election of a Labour government in New Zealand could create 'severe strains' with the United States..."

"Developments there might not only degrade New Zealand's defence value to the US, but potentially spill into Australia and fray the alliance at large..."

"The appearance of a Labour government in Wellington could create severe US-New Zealand strains on the basic nuclear issue, one which the US regarded as fundamental to its own strategic freedom of action and to the vitality of the ANZUS alliance."

Clearly, ANZUS has no importance to New Zealand, only to US plans for world domination. The 'Soviet threat' is as fictitious as President Reagan's peace plan is a smokescreen for rearmament. ■

Support for Labor Party Explained

Auckland NEW ZEALAND TRIBUNE in English No 330, 28 Jun 84 p 6

[Commentary by George Jackson, national secretary of the Socialist Unity Party of New Zealand, in the "Marxist Viewpoint" column: "Is the SUP Serious?"]

[Text] What constitutes a serious political party? Some people regard as serious only those parties which operate within the capitalist system and which see any attempt to change it as seditious.

The Socialist Unity Party sees the limitations of the parliamentary process inside the capitalist system but it also sees the necessity for a change from private to social ownership and sees as desirable the new future which would arise from the changed relationships between those people involved in production.

We believe that this change will arise from the internal contradictions within each country and will be solved by the people of that country.

It can only come about through an ever-widening movement of people actively trying to improve things. At the same time, this movement must be pushing for greater changes in the relationships of the two classes involved in production.

This is the way to win the battle for democracy and to bring about a system where there will no longer be the contradiction of the social interests of the majority and the private ownership of a minority

How do we work for these ends without becoming distracted and without burying important issues? By putting forward democratic issues, involving those parties and movements which will unite more and more conscious participants.

In this way, people change society, and themselves in the process. We will not do it by staying outside the mainstream of activity or by forming one-person Mickey Mouse parties which only satisfy the ego of an individual.

In our present situation we won't do it simply by going through the motions of voting in general elections or by ridding ourselves of the domination of National. The first step towards winning a system in which there are no unjust contradictions is to direct people's attention towards a party which can bring about democratic changes.

The job of a serious Marxist party in these elections is to

direct people towards the Labour Party.

A Labour government will find new approaches which meet the needs of people rather than those of dead capital if it is being pushed by a mass awakening of people, or if it advances bold leadership which encourages the involvement of people.

We say to the working class that the key to reversing the course which threatens peace, people's living standards and democracy, is to defeat right-wing governments. For us it means the defeat of National and Muldoon. For the United States it means the defeat of Reagan.

The fulfilment of the first objective can only come from a victory for the Labour Party and the building of a great democratic movement for advance. We believe that clearly showing that position today and rallying all forces to achieve it is one mark of being a serious political party. ■

U.S., Japanese Roles in Pacific Hit

Auckland NEW ZEALAND TRIBUNE in English No 332, 23 Jul 84 p 2

[Commentary by George Jackson, national secretary of the Socialist Unity Party of New Zealand, in the "Marxist Viewpoint" column: "ANZUS: Which Side Are You On?"]

[Text]

THE question of ANZUS was raised during the election campaign but not clarified.

The National Party has tried to elevate its policy of welcoming nuclear warships by calling it part of our protection under the umbrella of US power.

Sir Robert Muldoon even said that if it had not been for US naval power in the battle of the Coral Sea we would all be speaking Japanese by now.

The defeated Japanese are not speaking English and we would not be speaking Japanese either, of course, although some would have been quick to learn the language in order to get under the victor's umbrella.

It is important to note the difference in the roles of the Americans and the Japanese, both then and now.

After the US defeat of the Japanese forces, a constitution, drawn up by US General Douglas MacArthur, was imposed on Japan. This prohibited the regrowth of Japan's military power. Partly to reinforce this, the United States, Australia

and New Zealand formed the ANZUS alliance in 1951.

At that time the phobia in the backs of the minds of sections of the United States forces was Chinese communism.

Today there is a different US Administration, one which Sir Robert Muldoon assesses in these words with which he greeted President Reagan: "We in New Zealand admire the leadership which you are giving to the free world."

What is that leadership doing to Japan? It is using every form of pressure to get her to increase her armed forces in spite of the constitution. It wants Japan's armed forces to assume responsibility for the 'defence' of far eastern waters, outside Japan's territory. In other words, Japan is to become the vehicle for extending US control of the waters surrounding the Soviet Far East. This policy is one which New Zealand should be opposing. We should not be praising the US leadership responsible for it.

Japanese armed expansion is not in New Zealand's interests. It is part of the US worldwide expansion of its military forces.

Popular opposition to US nuclear vessels coming to New Zealand has become a tradition. Vanuatu has taken the same decisive stand in keeping its territory nuclear-free and supporting Pacific Forum decisions.

New Zealand can give a lead against all steps towards nuclear war. This means taking a decision to oppose those policies which are morally wrong.

There is much in American life which we admire, but it is not to be found in the programme and actions of the present Administration. This Administration has stood alone in ignoring the Japanese constitution because it stands in the way of its plans.

In the same way it says it will ignore the decisions of the World Court and go on mining Nicaraguan ports.

It also ignores its trustee responsibilities in Micronesia and will install a nuclear base there against the decisions of the people.

The issues are black and white. The question they put to us in New Zealand is, Which side are you on? ■

CSO: 4200/981

NEW ZEALAND

REPORTAGE CONTINUES ON LABOR PARTY SHIP BAN POLICY

Islands Lukewarm to Nuclear Ban

Auckland THE NEW ZEALAND HERALD in English 8 Aug 84 p 24

[Article by Pacific Affairs Reporter]

[Text] New Zealand's nuclear weapons-free Pacific policy is worrying the Cook Islands Government and there are indications from other South Pacific countries that there may be little support for a ban on United States nuclear warships.

New Zealand and Vanuatu appear to be the only two strong exponents of a nuclear weapons-free Pacific.

Some Island nations, notably the Cook Islands, Kiribati and Tuvalu, already have treaties of friendship with the United States which allow American military use of ports and access for fishing boats.

The New Zealand Government will promote the cause of a nuclear weapons-free Pacific at the South Pacific Forum conference at Tuvalu this month, but already a number of Pacific leaders have expressed a wish to retain the status quo and allow access to American warships.

In Auckland yesterday, Sir Thomas Davis said his country would continue to let American nuclear warships visit the Cooks.

He was also concerned at "a 180-degree turn" in New Zealand's policy and said he would discuss the issue with the Prime Minister, Mr Lange, and the Prime Minister of Australia, Mr Hawke.

Fiji Ports

The Fiji Government has followed the New Zealand debate closely, according to its Wellington High Commissioner, Mr Satyanand. He said his Government had not, to his knowledge, changed its policy as a result of New Zealand moves.

Fiji allows American warships entry to its ports and a few years ago provided hospitality for two conventional-powered warships denied entry to Vanuatu.

The Prime Minister of Tonga, Prince Tu'ipelehake, said from Nukualofa yesterday that he was seeking clarification of the New Zealand position.

Asked if the New Zealand move would make any difference to Tonga's policy, he said: "I do not think there will be any change."

The Western Samoan Government has a reputation for being pro-American since its Prime Minister, Tofilau Eti, visited Hawaii last year and offered base facilities to the United States Navy.

The Western Samoa High Commissioner in Wellington could not be reached for comment yesterday.

Among the larger South Pacific Nations, the New Zealand Government can count on support from Vanuatu. The Prime Minister of Vanuatu, Father Walter Lini, has already declared the first nuclear-free constitution in the South Pacific.

The Solomon Islands Government's position and that of Papua New Guinea are not known but may well be discussed informally at Port Moresby this week during the Commonwealth regional heads of Government meeting.

Guided

Papua New Guinea has its own defence arrangements with Australia and may well be closely guided by Australian decisions on the matter.

Mr Hawke has already publicly endorsed visits by American nuclear warships.

So far Sir Thomas Divis has been the most vocal of South Pacific leaders in his concern about New Zealand's policy.

He suggested it could even result in the Cooks taking a hard look at its relationship with New Zealand and perhaps seeking a defence agreement with Australia and the United States if New Zealand's policy affected the Anzus defence agreement.

Asked yesterday why he disagreed with the nuclear-free policy, Sir Thomas said: "I could agree with it if Russia came up with an equal and adequate programme."

The concept now presented was an emotional issue contradicted by fact and the Cook Islands could not readily set aside its stance on the issue, he said.

"We made that stand in 1978 when we supported Anzus.

"It is difficult for us--just a drop in the bucket--but it places us in a difficult position with Australia and the United States."

New Zealand is responsible for Cook Islands foreign affairs.

Sir Thomas said: "We are in a quandary with New Zealand's 180-degree turn-around.

Disturbed

"I feel we have the right to host nuclear vessels.

"I know Australia is as disturbed about it as I am. They are actual [Anzus] partners."

The deep, sheltered water of the north Cook Island of Penrhyn was a useful anchorage for the United States fleet.

"I see the Russian threat increasing daily," Sir Thomas said. "I see no reason for us to make it difficult for ourselves."

The United States treaties of friendship with Kiribati, Tuvalu, the Tokelau Islands and the Cooks were negotiated last year in recognition that the United States gave up sovereignty claims to 26 islands which are now part of the Island nations' own territories.

Ban Implications Discussed

Christchurch THE PRESS in English 6 Aug 84 p 12

[News Analysis by Stuart McMillan: "Implications of Nuclear Ships Ban"]

Striking reactions have been predicted if the New Zealand Government goes ahead with its declared intention to close the country's ports to nuclear-powered and nuclear-armed ships. Among the more dramatic predictions have been that the United States would abrogate A.N.Z.U.S.; that Australia would forge a new defence treaty with the United States to replace A.N.Z.U.S.; and that the United States, and possibly other countries, would impose trade sanctions against New Zealand.

My own prediction is that the move would have important effects, but not any of those extreme measures.

American and Australian perspectives on New Zealand's closing of its ports to nuclear-powered or nuclear-capable ships have to be taken into account.

The Americans want access to New Zealand ports for their warships for several reasons. Access is not strategically important.

But access helps to provide rest and recreation for crews; it is an assurance that New Zealand really is part of the A.N.Z.U.S. alliance, and because the United States has been increasing the numbers of its nuclear-powered vessels as a proportion of its fleet, and wants ports access for these vessels.

The United States is concerned that if New Zealand closes its

ports to American warships, other countries might want to do the same.

The point is probably the biggest danger to A.N.Z.U.S. The United States might not want a precedent to be set under which a member of a defence treaty with the United States can close its ports to American warships and still remain a member of the treaty.

The reasons why the United States would be unwilling to break the A.N.Z.U.S. Alliance have more than a little to do with the fact that this is a Presidential election year. It is highly unlikely that President Reagan would be prepared to abrogate A.N.Z.U.S. in an election year.

His Democratic rival for the Presidency, Mr Walter Mondale, has already urged President Reagan not to threaten New Zealand over the ports issue.

Nor would President Reagan want to raise the issues of nuclear power or nuclear arms during the election campaign.

The United States might be in a mood to take a tougher line with New Zealand once the Presidential election is over in November.

Australia's perspectives are different. It has long been policy for New Zealand and Australia to encourage the Americans to have a presence in this part of the world. Anything that New Zealand

did to discourage an American presence in the South Pacific would be regarded with some alarm in Canberra. The Hawke Government has gone through its own review of A.N.Z.U.S. and come to the conclusion that it serves Australia's interests.

The reason why Australia sought a review is different from the reason why the Labour Party in New Zealand wants a renegotiation or review. Australia is much more convinced than is New Zealand that it has real defence needs. Does A.N.Z.U.S. fulfil that need? The conclusion is that Australia believes it needs to strengthen its own defence to deal with minor threats for which it cannot be sure of the response of the United States. But it still thinks Australia needs A.N.Z.U.S. That appears to have led Australia into a global perspective of defence which is not part of the thinking of many New Zealanders.

Although the Leader of the Opposition in Australia, Mr Andrew Peacock, has called for a bilateral treaty with the United States if A.N.Z.U.S. is threatened by New Zealand, such an outcome is improbable. The American Senate has to give its advice and consent to any treaties and it is almost unconceivable that the Senate would be willing for the United States to enter into a new defence commitment, particularly one any-

where near South-East Asia. The memories of Vietnam do not bear reviving in the United States.

This leads to the conclusion that Australia will want to hold on to what it has got. Australia will want the retention of A.N.Z.U.S., almost at any cost.

The New Zealand Government's proposed action has some important political implications for the Australian Government. The Labour Party in Australia has factions in the way that the New Zealand Labour Party does not.

The factions are institutionalised. They hold their own caucuses and demand that their members vote according to the decisions reached by the faction's caucus. This does not mean in Parliament, where the survival of the Government may be at stake, but in full party caucuses and in such meetings as the National Conference which has just been held.

At the moment, the Right faction and the Centre-Left faction are on top. The Left faction, which wants the mining of uranium stopped and the closing of ports to nuclear ships, has been overruled. An action by the New Zealand Labour Party in closing its ports to nuclear ships would give the Left in Australia a stick with which to beat the non-Left of the A.L.P.

Not only that, but Mr Bill Hayden, the Australian Foreign Minister, was convinced in 1982 that the A.L.P., when it became the Government, should close Australian ports to American nuclear ships. His espousal of this view while he was the Labour leader strengthened the position of the then Prime Minister, Mr Malcolm Fraser, whose fortunes had been in decline for many months; it horrified other leading members of the A.L.P.; it prepared the ground for the challenge to Mr Hayden by Mr Bob Hawke, and led to Mr Hayden's backing down. Mr Hawke did not win on that challenge in July, 1982, but eventually took over as party leader at the beginning of 1983.

Mr Hayden is unlikely to forget the experience.

There is a strong conviction within the New Zealand Labour Party that it cannot afford to have a public row with the A.L.P. It is difficult to see how some confrontation can be avoided, though Australia knows that the American style of putting pressure on New Zealand is likely to be counter-productive and will itself handle the matter fairly quietly.

The important effects on New Zealand will not be so easy to

avoid as the more dramatic, but less likely measures that have been suggested.

Trade sanctions would be too blatant, even for the Reagan Administration, which has not generally been notable for its subtlety in dealing with world affairs.

Nevertheless, there are a number of ways in which displeasure could be shown. At the moment the New Zealand Ambassador to the United States gets a Presidential hearing whenever one is requested. If he makes a request, the request may or may not be granted, but at least the channel is there.

Such ready access could be withdrawn without a dramatic impact. But the ready access is of immense importance for New Zealand, particularly over matters of trade.

What can happen is that a protectionist bill might appear suddenly in Congress, a bill likely to affect New Zealand's trade with the United States. It is important for New Zealand to resist such a bill through all the links that it can have.

New Zealand is usually regarded as a special case by American politicians. There is some Congressional sentiment for New Zealand. Sentiment could be altered without definite breaks in treaty relations.

The large assortment of military and other links between the United States and New Zealand, because of the A.N.Z.U.S. connection, might be viewed less enthusiastically. Exchanges of staff are among the various arrangements that could be reduced or stopped without this being seen as a definite break in the treaty, or as overt pressure. The withholding of intelligence information is also possible.

The fact that New Zealand receives intelligence information from the United States does not mean that it accepts American perspectives on events, but the information increases New Zealand's capacity to make up its mind about what is happening, in its own area or elsewhere.

The move might also have an impact in Europe. Part of the argument for continued access to European markets traditionally used by New Zealand negotiators, whether they are public servants or Ministers, is that a financially strong New Zealand is able to help the Pacific more and keep the Pacific sympathetic to the Western alliance.

In the sometimes brutal bargaining that goes on in Europe, a New Zealand which closed its ports to nuclear ships might have difficulty in making that traditional argument stick.

These possible results cannot be seen simply as setting trade interests against nuclear policy. What happens in any negotiation is that all the links that the negotiator can think of are used in the argument. The closing of ports to nuclear ships is likely to receive international attention. New Zealand might lose one bargaining lever, and provided the other side with a weapon to be used against it.

If the New Zealand move does not stop at closing ports, but also attempts to exclude nuclear ships from New Zealand's territorial seas, the Government is likely to come out of it with egg all over its face. Under the Law of the Sea the right of innocent passage in territorial seas is guaranteed. While, no doubt, some would argue that a

nuclear-powered or a nuclear-armed ship may not be on an "innocent passage," this would be a hard and embarrassing case to argue in international law.

The main pressure likely from Australia would be some very harsh words spoken in private. Two Australian Strategic Basis reports, one compiled in 1975 and another compiled last year, commented sharply on the proposal of the New Zealand Labour Party to establish a nuclear-free zone in the South Pacific.

The proposal was considered to be against Australia's strategic interests. This year the Australian Government plans to take its own version of a nuclear-free zone proposal to the South Pacific Forum meeting at the end of this month. The Labour Governments in Australia and New Zealand might arrive at some mutually acceptable formula over the proposal.

One of the most interesting outcomes of the proposal to close the ports is the effect this will have on the thinking of New Zealanders.

The anti-nuclear sentiment in New Zealand cuts across party lines. It has roots in the environmental movement, in a genuine fear of nuclear weapons, in a "plague on both their houses" view of the nuclear arms race, in the longing for an independent foreign policy, and in a reluctance to have any part of the nuclear world. Different groups within the anti-nuclear lobby have different perspectives, but these strands of thinking are to be discerned in the whole question.

One possible outcome is that New Zealanders will become more inward-turning, more isolationist in outlook. Another possibility is that New Zealanders will go

through a long and painful examination of their place in the world and the impact that their decisions can have on their own country, on other countries, and in the world as a whole.

Support for U.S. Ship Visits Refuted

Wellington THE EVENING POST in English 6 Aug 84 p 20

[Text] New Zealand's former defence attache in Washington has been accused of "scaremongering" after his claims on the strength of the Soviet Pacific fleet were published in a letter to the "Post" on Thursday.

Air Commodore Ian Gillard's claims that the Soviet Union has a nuclear armed and powered Pacific fleet larger than the whole United States Navy have been strongly disputed by Mr Llewelyn Richards, the secretary to the National Consultative Committee on Nuclear Disarmament.

Air Commodore Gillard wrote to the "Post" to express his concern that the opinion of ordinary citizens on the future of the anzus military alliance was not being taken into account.

The vociferous groups opposed to Anzus and visits to our ports by U.S. nuclear-powered naval vessels are not accountable "for the consequences of the course they propose," he said in a lengthy letter.

"Declaring the South Pacific, or any other place, nuclear-free, will not for a moment stop an international bully from using nuclear weapons here if they thought there would be no retaliation," he said.

Disputed

However, Mr Richards disputed and criticised Air Commodore Gillard's claims in a statement given to the "Post" yesterday.

Quoting from "The War Atlas," by Kidron and Smith, Mr Richards claimed the Soviet Union had 330 warships in the Pacific, "not by any means all nuclear propelled or armed." The U.S. Navy has 412 warships, he said.

"Commodore Gillard's figures are therefore nonsense and scaremongering of the worst sort especially since the U.S. Pacific fleets have, compared to the Russians, greater tonnages, greater fire-power, better-trained crews, and at least 10 naval bases around the Pacific compared to Russia's two."

Making other points, Mr Richards said that if the United States was unwilling that New Zealand--a sovereign state--should make up its own mind about the banning of nuclear ships then it "shows itself to be a bully."

He claimed the military stability of the South Pacific was undisturbed at the moment not because New Zealand was militarily strong, but because the Soviets had chosen not to match American presence here, base for base, ship for ship.

Stance

"We have the Russians to thank for not upsetting the Americans by expecting an equal (and therefore in military thinking--'stable') military presence in the South Pacific."

Mr Richards said New Zealand had a golden opportunity to show the world how to start the "absolutely necessary process of gradually removing nuclear weapons and the insecurity they bring."

"With the U.S. Navy about to deploy more Cruise (nuclear) missiles in the South Pacific than in the whole of Europe, we are at exactly the right moment to say 'none of these de-stabilising, mankind-threatening weapons in our region.'"

"If Air Commodore Gillare wants true 'deterrence' when the Americans bring their cruise missiles to our door then he should invite the Russians to be an equal number too," wrote Mr Richards.

He said that after the "nuclear-free New Zealand Bill" is law, the next step should be a diplomatic offensive to gather Pacific nations together to pressure the nuclear powers to keep out of the South Pacific.

Editorial Opposes Ship Visit Ban

Auckland THE NEW ZEALAND HERALD in English 9 Aug 84 p 6

[Editorial: "Sore Test for ANZUS"]

[Text] The no-nuclear-ships-in-our-ports policy is a home-made model craft that the Labour Government will be unable to insert in the tripartite Anzus military alliance bottle. Who says so? Well, the two larger partners in the pact, Australia and the United States, for a start.

Apparently unfazed, Mr Lange loyally clings to his party's line. One may say its line advisedly, there being some evidence that the Prime Minister is a prisoner of his party on the nuclear vessels issue; his personal instinct may well be less rigid. Responsibilities of office, so recently potential but now palpable, must encourage such private doubts.

Even so, Mr Lange's first prime ministerial meeting with his Australian counterpart--appropriately enough, perhaps, in the South Pacific--seems only to have confirmed their governments' respective attitudes. The Labour Party at large is left to explain just why its Australian elder brother should remain unpersuaded of the virtue, should there be one, of excluding nuclear vessel visits.

Local Labour, the more radical Left excepted, would no doubt be happy to have its nuclear policy and still eat its Anzus cake. The fact remains that two of the warhorses in the Anzus troika regard the American nuclear fleet as an integral part of American armed forces, and those forces as an integral part of the Anzus security arrangement, whatever its bland text.

So, while Washington has given the Lange Administration some six months grace in which to reflect, the issue will not evaporate. Indeed, it may come to haunt the honeymoon the new Government might otherwise have enjoyed, at least on foreign forays by its leader.

Already, there looks to be slight support from microstates of the near Pacific. Backings by Vanatu adds little counterweight to a course which will jeopardise reasonable expectations of protection by a superpower--in exchange for reasonable co-operation with its forces.

The Cook Islands, for example, self-governing but not sovereign, supposedly subordinates defence and foreign policies to those of Wellington. Nevertheless, in pursuit of its bilateral treaty of friendship with the United States, it could yet provoke a delicate and embarrassing constitutional contretemps with New Zealand by encouraging nuclear ship visits. Count that just one small symptom of a crucial challenge still forming to such statesmanship as Mr Lange can summon.

Ban Jeopardizes Sea Exercise

Auckland THE NEW ZEALAND HERALD in English 8 Aug 84 p 5

[Article by Tony Verdon in Port Moresby]

[Text] The Government's stance against nuclear ships jeopardises a major Anzus naval exercise planned off the New Zealand and Australian coasts early next year.

The Prime Minister, Mr Lange, said yesterday that he would discuss the policy with the American Secretary of State, Mr Shultz, in New York during the last week of September.

However, Mr Lange, who is in Papua New Guinea for the regional meeting of the Commonwealth head of governments, said the nuclear ship issue would have to be resolved before the three-nation naval exercises planned for February and March.

Alliance

"It will undoubtedly impinge on New Zealand's territorial waters and the matter must be dealt with by that time," Mr Lange said in Port Moresby.

He was speaking after the Australian Prime Minister, Mr Hawke, had made it clear he felt that responsibilities under the Anzus alliance included receiving visits by nuclear vessels.

Although Mr Hawke declined to discuss the issue with Australian journalists immediately after the talks, it is understood he is relaxed about the issue, and believes the Lange Government should be given more time to resolve it.

However, Mr Lange was again adamant that his Government's stand against the visits would continue.

Mr Lange said Mr Hawke had reiterated his Government's view of responsibilities under Anzus, and undoubtedly in Australia that extends to welcoming nuclear visits," said Mr Lange.

Demonstrate

In October, New Zealand would host Triad land and air exercises involving the three Anzus powers, he said.

"It was never suggested to me by the Australian Prime Minister that New Zealand was not fulfilling its responsibilities under Anzus, as the month of October will demonstrate with some flair."

But Mr Lange said the next test of the nuclear issue would be in February and March with the naval exercises off the New Zealand and Australian coasts.

Under the Labour Government's policy, the exercise would have to be moved.

Questioned about the ways of resolving the problem, Mr Lange said: "There are all sorts of possibilities--my grandmother used to say there are more ways of killing a pig than choking it with butter."

Mr Lange's stance is receiving a mixed reception among Pacific Island leaders in Port Moresby.

Although the ban has been criticised openly by both Mr Hawke, and the Premier of the Cook Islands, Sir Thomas Davis, it has been supported in principle by Papua New Guinea.

No Concern

Mr Lange last night refused to comment on Sir Thomas' criticism.

"I brought his wife up on the plane and she did not appear at all concerned," he said.

Sir Thomas is expected to discuss the nuclear issue with both Mr Lange and Mr Hawke while in Port Moresby this week.

Defense Ministry Contradiction

Auckland THE NEW ZEALAND HERALD in English 9 Aug 84 p 3

[Text] The Ministry of Defence said yesterday that the Anzus Sea Eagle exercise planned for February and March would not be in New Zealand waters.

[Text] The statement appears to contradict remarks by the Prime Minister, Mr Lange, in Port Moresby on Tuesday that the exercise would "undoubtedly impinge on New Zealand's territorial waters."

For that reason, Mr Lange had said, the matter of visits to New Zealand by nuclear warships would have to be resolved before the exercise began.

However, a defence spokesman said no normal Anzus exercises were planned in New Zealand waters during the next 12 months.

Sea Eagle would be under the control of the Australians and it would take place off Australia.

A spokesman for the United States Embassy in Wellington confirmed that American ships would be involved, because Sea Eagle was an Anzus exercise.

Consultations

He said State Department officials in Washington has seen only press reports of what Mr Lange had said that they were looking forward to having talks with him in New York in September.

In Tokyo, the Japanese Government said the United States consulted it before arranging calls by nuclear ships.

Normal American policy is not to confirm or to deny to any friendly power whether its ships have nuclear arms and that has been a major bone of contention.

But, in a statement to the Diet (Parliament), the Japanese Government said American nuclear-powered submarines had visited Japanese ports 17 times last year, and none of them carried nuclear missiles.

American Forces

The statement was a reply to a question from a member of the Komeito Party, Mr Mikio Omi, who had asked if New Zealand's stance on nuclear ships had influenced the Japanese position.

The Government said that, under its present security arrangement, the United States was obliged to consult Japan before making major changes in the equipment of American forces in Japan.

It said it did not feel it necessary to introduce further legislation to back up its nuclear weapons-free constitution.

Details on Lange-Hawke Talks

Christchurch THE PRESS in English 8 Aug 84 p 1

[Article by NZPA staff reporter Port Moresby]

[Text] A big naval exercise off New Zealand between the three A.N.Z.U.S. nations may have to be called off because of New Zealand's ban on nuclear warship visits.

The Prime Minister, Mr Lange, and the Australian Prime Minister, Mr Hawke, discussed the nuclear warship issue at a breakfast meeting yesterday.

Mr Lange said after the meeting that the implication of everything Mr Hawke said on the subject was that New Zealand should allow nuclear-powered or nuclear-armed warships to visit.

But Mr Lange repeated that Labour's policy was non-negotiable.

In February or March next year the three nations are to take part in a naval exercise which would involve nuclear ships.

"The matter must be dealt with by that time," Mr Lange said. Asked if the exercise would have to be called off, Mr Lange said, "According to the policy you are undoubtedly correct."

He agreed the exercise would have to be either called off or transferred elsewhere.

The Australian Labour Government reviewed the A.N.Z.U.S. treaty and decided to stay in it. Australia allows nuclear warships to visit.

Asked if Mr Hawke had suggested that the Australian interpretation of its responsibilities under A.N.Z.U.S. should extend to New Zealand, Mr Lange said, "Yes, he did, but he did not in fact do so in a threatening or cavalier fashion.

"It was never suggested to me by Mr Hawke that New Zealand was not fulfilling its obligations under A.N.Z.U.S."

Further talks on the policy will be held when Mr Lange meets the American Secretary of State, Mr George Shultz, in New York in September."

Senior Australian officials said later that Mr Hawke had told Mr Lange that Australia accepted visits by allied nuclear ships and would continue to do so.

Without seeking to persuade New Zealand to change its position, Mr Hawke had also pointed out that Australia considered the visits important to the continuation of A.N.Z.U.S.

However, beyond saying there had been a "useful exchange" between the two Prime Ministers, Australian officials were reluctant to disclose any details of the talks.

The two leaders also agreed on further discussions at ministerial and official levels on outstanding problems under the closer economic relations agreement signed between Australia and New Zealand last year.

Australian officials said Mr Lange had acknowledged that the New Zealand car industry plan announced by his predecessor, Sir Robert Muldoon, was not in the spirit of the agreement.

Under the Muldoon proposals preferences for Australian cars exported to New Zealand would have reduced, significantly damaging an important market.

Mr Lange promised to review the plan and come back within a month with a satisfactory plan.

The two leaders also agreed to initiate discussions on reciprocal access for rolled Australian steel from the time a new New Zealand rolling mill comes into production in 1986 until 1991 when free trade is introduced under the agreement.

They also agreed, that there were no real impediments to New Zealand investment in Australia.

Mr Hawke expressed appreciation of Mr Lange's recent decision to lift the ban on Australian investments imposed by Sir Robert.

In return, Mr Hawke said an application by the National Bank of New Zealand to establish in Australia would be treated "sympathetically" by the Australian Government.

Under the Hawke Government's policy a limited number of foreign banks will be allowed into Australia to increase competition among domestic banks.

Nuclear-Free Legislation Problems Expected

Christchurch THE PRESS in English 7 Aug 84 p 3

[Article by Michael Hannah]

[Text]

The Government expects there could be "practical" difficulties in introducing its nuclear-free New Zealand legislation this year.

The Acting Prime Minister, Mr Palmer, said yesterday that Cabinet Ministers had been asked to consider their priorities for legisla-

tion this year, with the Government's programme due to be released next week in the Speech from the Throne at the opening of Parliament.

Details of the programme were not decided yesterday, but Mr Palmer told a press conference later that the

legislative programme would be light, particularly as there would not be a Budget until October.

Asked whether the promised nuclear-free legislation would be included in this year's programme, Mr Palmer said he did not

know, as it had not been decided.

He believed the Government would need to take advice on the question of how practical it was to prepare a bill for introduction this year. The technical questions that went into making the legislation were probably not free from difficulty, he said, although he had not yet examined them.

"There are drafting questions that arise in all legislation and since not all legislation can be drafted at once, it becomes important to decide what priorities shall be assigned to each particular proposal for a bill, and in that instance it is necessary to find out from the departments concerned how much research they need to do before clear instructions can be given for the drafting of any bill," he said.

Asked about the possible reintroduction of a nuclear-free bill sponsored by the member for Auckland Central, Mr Prebble, last session, Mr Palmer said there

were "technical difficulties" with that bill.

Mr Palmer said that Parliament was left in a situation unprecedented for many years, in which about 30 pieces of legislation had been killed when the General Election was called.

He suggested it would have been a simple matter for the then Government to call Parliament together the day after the election was announced and moved to carry over legislation that was before Parliament.

However, the only way to handle this legislation was to reintroduce it as introductory bills, and the Government was now considering which of these matters needed to be dealt with urgently and which did not.

Without a Budget, the nature of the legislation which could be considered would have to be light, he said.

"Given the fact that it is light we therefore have to assay our priorities very carefully in deciding what we must have and cannot do

without and what will wait a little longer," he said.

There was the possibility that legislation could be introduced in February and March next year, as it is likely that the session, which starts next week, will not end in December, but only adjourn. Mr Palmer described this as an unusual situation, in which Parliament would be considering Budget estimates next February and March.

There was not a great opportunity to introduce much before Christmas, and the Government was addressing itself to what must be passed before then.

Parliament will adjourn, however, in September for the economic summit conference, after which it will resume until about mid-December, when it will adjourn again until early February. Parliamentary sessions normally conclude when Parliament rises at the end of the calendar year.

Military Ceremony Barred From Parliament

Auckland THE NEW ZEALAND HERALD in English 3 Aug 84 p 5

[Text] The Government's decision to exclude the military from involvement in the opening of Parliament on August 16 has angered the Opposition and disappointed the Returned Services Association.

The National Party's defence spokesman, Mr Doug Kidd, said the decision was an insult to the Governor-General and a slap in the face for the military.

The Prime Minister, Mr Lange, has directed that there be no guard of honour or trumpeters at the opening ceremony.

Mr Lange believes the ceremony should be more multicultural and that it would be more appropriate to welcome the Governor-General with New Zealand traditions rather than those borrowed from Britain.

The Government intends to have a Maori greeting for the Governor-General.

The Minister of Education, Mr Marshall, who is in charge of the opening ceremony arrangements, said the military would, however, be involved on August 15 at the swearing-in of MPs because the Malaysian Prime Minister, Dr Mahathir, would be present and would receive a full state welcome.

Mr Kidd said people involved in New Zealand's defence forces, and their supporters, would find the action offensive.

The decision was a statement of the Labour Government's prejudices against the armed forces, with which they had always felt uncomfortable.

"The Governor-General is attending Parliament as the Queen's representative and not least of his offices is that of commander-in-chief in and over New Zealand," said Mr Kidd.

"Quite simply, on state occasions the Governor-General...is entitled to a guard of honour."

Mr Kidd said the decision to provide an honour guard for Dr Mahathis led to the question of whether the Governor-General warranted lesser treatment than a visiting Prime Minister.

The dominion president of the RSA, Sir William Leuchars, said: "I am very disappointed that the traditional military pageantry associated with the opening of Parliament is being done away with."

Military Ceremonies Defended

Christchurch THE PRESS in English 4 Aug 84 p 18

[Editorial: "A Circumstance for Pomp"]

[Text]

New Zealand is one of the least militaristic countries of the world. Both economic prudence and national preference have helped to make it so. From day to day, New Zealand's armed forces are most visible in unmartial duties such as search and rescue or fisheries protection. On infrequent occasions they are given an opportunity to display, with great pride but equal lack of menace, the precision and trappings appropriate to State occasions. Many smaller and poorer countries, not a few of which boast Left-wing Governments, parade ostentatiously armed forces greater in number, mightier in equipment, and more deadly in purpose than New Zealand's.

The high profile of the military arm of the State elsewhere often corresponds to the absence of democratically-elected Governments and to the denial of individual freedoms that New Zealanders can take for granted. By comparison, the inclusion of representatives of the armed forces in the ceremonial of New Zealand's State occasions is a symbolic reminder that democratically-elected Governments are possible, and freedoms

guaranteed, only when all the elements of government are present in a system of checks and balances, none with an excess of power over the others. It is all the more strange, then, that the new Government has chosen the opening of Parliament as an occasion to reduce even further the limited appearances of representatives of the armed services in New Zealand.

The armed services owe allegiance to the Crown, not Parliament. The Governor-General, Sir David Beattie, as the Queen's representative in New Zealand, is their Commander-in-Chief. The now-banished honour guard at the opening of Parliament might have served a valuable purpose in giving Parliamentarians, particularly the new ones among them, cause to ponder by what authorities they sit in government of the country. Even setting aside the fact that the Governor-General is entitled to a guard of honour by military custom, Parliament should not need to be reminded that democracy in this country owes its existence to the efforts of the armed forces in two world wars; the members need only look around them, for the Chamber in which they sit has engraved

on its walls the battle honours of New Zealand servicemen in those two conflicts.

The eagerness of the new administration to distance itself from matters military has led to a strange coincidence. An honour guard will be provided for the swearing-in of members of Parliament on the day before Parliament is opened because the Malaysian Prime Minister, Datuk Seri Dr Mahathir bin Mohamad, will be present. To deny Dr Mahathir a guard of honour would be a breach of diplomatic etiquette bordering on an insult. Does the Labour Government give notice, by its denial of a guard of honour to the Governor-General, that during its term of office foreign Prime Ministers will be accorded a greater degree of ceremonial than the Crown's representative?

The Government proposes that a Maori welcome will replace the guard of honour at the opening. The Prime Minister, Mr Lange, has said that the opening of Parliament should be more "multi-cultural" and that it would be more appropriate to welcome the Governor-General with "New Zealand traditions rather than those borrowed from Britain." True multi-culturalism would combine both traditions.

A Maori welcome and a guard of honour are not mutually exclusive. To have both would acknowledge both of the prime sources of New Zealand society and culture. The course proposed, however, appears to accentuate the place of the minority to the exclusion of the majority which, quite plainly, is not Maori. Denying the role of the armed forces is to deny the important contribution made by all New Zealanders, Maori and pakeha, to the preservation and furtherance of a society in which multi-culturalism can exist.

A ceremonial honour guard at the opening of Parliament is no show of bellicosity, nor is it a celebration of militarism. It is, however, a courtesy to those it honours, and a traditional acknowledgement of one of the agencies that have moulded the system in which we live. Discarding it threatens to give offence to many people; retaining it can do no harm. The decision should be reconsidered and some weight given to the fact that the greatest of the traditions inherited from Britain — and apparently now devalued — is that of Parliamentary democracy itself.

CSO: 4200/983-E

NEW ZEALAND

FOREIGN BANKS COMPETE TO ARRANGE ADDITIONAL LOANS

Christchurch THE PRESS in English 10 Aug 84 p 11

[Text] Foreign banks are competing to arrange at least \$US1.5 billion credit for New Zealand in one of the biggest financing exercises ever offered to a Government in the Asia-Pacific region, reported the "Asian Wall Street Journal" in Hong Kong.

The banks were proposing that New Zealand renew a \$US500 million loan that expires in December as well as renegotiate for improved terms on an existing \$US750 million arrangement. Some banks were hoping that New Zealand would expand the refinancing with at least \$US250 million in new credit, the report said.

Banking sources interviewed by the NZPA confirmed that there were good opportunities for the New Zealand Government to renegotiate some of its existing loan arrangements at lower terms, because of the world-wide lack of markets for syndicated loan arrangements.

The report said that by refinancing, New Zealand would get money on cheaper terms, would retain credit lines that would otherwise expire, and would win more time to repay existing debts.

CSO: 4200/983-E

LAMB BARTER FOR POLISH MINING GEAR REPORTED

Auckland THE NEW ZEALAND HERALD in English 9 Aug 84 p 20

[Article by Peter Freeth, Agricultural Editor]

[Text] New Zealand hopes to barter lamb with Poland for millions of dollars worth of mining equipment for the Waikato coalfields.

Sample shipments of 600 tonnes of lamb have been sent by the Meat Board to Poland and have been paid for with heavy engineering equipment imported by a third party in New Zealand as part of a package arrangement.

The chairman of the board, Mr Adam Begg, confirmed yesterday that New Zealand lamb had proved acceptable to the Polish authorities and hopes were held for full-scale barter trade.

But he said he had not been involved in the details of the Polish method of payment and further trade would depend on New Zealand demand for Polish engineering equipment.

Polish Visits

It would be the board's first long-term barter venture.

The Meat Board's group marketing manager, Mr Donald Harwood, who has visited Poland several times in the past 12 months, was not available yesterday for comment.

But he has been quoted in the latest issue of the board's journal, the MEAT PRODUCER, as saying that while the board's priority was a cash-for-lamb deal, there were certain markets where this was impossible.

The alternative was to investigate counter or barter deals where they were beneficial to both parties, Mr Harwood said.

He had been looking at other markets, but so far Poland was the only one offering distinct possibilities.

The Meat Board has appointed a Wattie Industries subsidiary, Neill, Cropper and Co Ltd, as its agent in pursuing barter arrangements.

A visit to Poland by a Neill, Cropper representative, Mr Baden Roberts, secured a commitment from Polish officials that if sheepmeat was to be imported it would come from New Zealand and would be a long-term supply arrangement.

Poland is not a sheepmeat-eating country, but meat is scarce there.

The Meat Board's journal says: "Mining equipment appears to offer the greatest potential for barter trade.

"Revolutionary"

"Poland's interest in supplying millions of dollars worth of equipment for a new coal-mining technique that would be revolutionary in this country was discussed between a Polish mining industry delegation and the former Minister of Energy, Mr Birch, in Wellington in June.

"Poland and several other countries are interested in supplying 'long-wall' coal mining equipment at the Huntly East and Huntly West mines.

"The long-wall technique has never been used in New Zealand but 80 percent of Poland's underground coal-mining is conducted in this way."

The journal says the outcome will depend on the competitiveness of the Polish offer both as to price and technology.

Canning

Mr Roberts, it says, sees substantial prospects for cooperation between the two countries.

A joint venture using Poland's canning expertise to process New Zealand sheepmeat is also being considered.

The proposal is for products to be processed in Poland under license and exported from there to be processed in Poland under licence and exported from there to various countries as well as being used for domestic consumption.

CSO: 4200/983-E

LANGE ON SUPPORT FOR NUCLEAR FREE ZONE, NEW CALEDONIA

BK270312 Hong Kong AFP in English 0145 GMT 27 Aug 84

[Text] Wellington, 27 Aug (AFP)--New Zealand Prime Minister David Lange said today there would be "no difficulty" in the South Pacific Forum nations reaching unanimous agreement on the first steps towards a South Pacific nuclear free zone. Mr Lange, speaking in Tuvalu, scene of the annual forum meeting, said he "could find no nation" attending the forum which could oppose the nuclear free zone proposal of the Australian Labor Government when it is discussed at the forum today, Radio New Zealand reported.

The Australian plan calls on South Pacific nations not to store, manufacture or use nuclear weapons. But it leaves open to individual nations to decide on whether they would allow port visits by nuclear warships. Only three South Pacific States--New Zealand, Papua-New Guinea and Vanuatu--have adopted a policy banning nuclear warships from their ports.

Mr Lange said, while he would give an outline to forum leaders of the country's ban on nuclear warships, he did not expect any commitments on the issue from the meeting. He said adoption of the Australian anti-nuclear proposal would be "an enormous first step in my view."

On moves towards independence for French-governed New Caledonia, Mr Lange reiterated that he would not support any attempt to have the matter referred to the Decolonisation Committee of the United Nations. He said New Zealand does not want to see any risk of violence in New Caledonia and he believed a constitutional solution to the issue could be found. The New Zealand Labour prime minister said that, while such a solution could not be achieved overnight, the French settlement date of 1989 "seems a very, very long way away."

A formal statement on the nuclear free zone question is due in the next two days. It is expected to include the setting up of a working party to draft a treaty establishing the zone which each South Pacific Forum nation would ratify over the coming year.

CSO: 4200/1004

EEC BREAKS INFORMAL BUTTER AGREEMENT

Canberra THE AUSTRALIAN in English 31 Jul 84 p 15

[Article by Stuart McMillan in Christchurch]

[Text]

THE European Economic Community's plan to sell large quantities of butter to the Soviet Union and the Middle East cannot fail to cause the price of New Zealand butter exports to fall drastically.

The EEC plans to sell 50,000 tonnes this year and 150,000 tonnes in subsequent years from a surplus which now amounts to more than 1 million tonnes.

The butter is to be sold not below the minimum price of \$US1200 a tonne set by the General Agreement on Tariffs and Trade - but the world price has been \$US400 (\$A487.80) to \$US500 a tonne above that.

Even if the sale did not take place the knowledge that the EEC would quit its surplus in this fashion would drive down the price.

The Soviet Union has not been in the market to buy butter this year.

New Zealand estimates the total international market for butter is about 240,000 tonnes a year.

It would appear the EEC is making a grab for a bigger share of the market.

New Zealand and the EEC presently share two-thirds of the world market.

New Zealand will have to drop its price to compete with the heavily subsidised EEC butter.

Of even more significance

than the price effect is that in making this move, decided last week, the EEC is breaking an informal understanding with New Zealand about third markets.

Under a dairy co-operation agreement, New Zealand and the EEC have undertaken to consult each other about third markets.

The EEC move caught New Zealand by surprise and enormous lobbying efforts were made between the time the EEC proposed the move and the Dairy Management Committee voted on the proposal.

Had the Dairy Management Committee vote been more strongly against the proposal, the plan would have gone to the Council of Agriculture Ministers where Britain could have used their veto.

As it was the question never got as far as that.

The EEC move has great significance for New Zealand's relationship with the EEC.

When Britain joined the EEC a special provision, known as Protocol 18, was attached to the Treaty Of Accession.

It authorised Britain to keep importing New Zealand butter and cheese.

Protocol 18 set quantities until 1977.

Subsequent negotiations have resulted in a continuation of New Zealand's exports of butter to Britain, though in diminishing quantities.

The last agreement was made recently.

Under it, New Zealand is permitted to send 83,000 tonnes this year, 81,000 tonnes next year, and 79,000 tonnes in 1986.

The quantities for two years after that have yet to be agreed, though the principle of a five-year agreement was reached.

But Britain continues to support New Zealand's case.

New Zealand made, with considerable success, major efforts to diversify its market outlets.

Although New Zealand believes itself to be the most efficient dairy producer in the world, it could not compete with butter heavily subsidised under the EEC's Common Agricultural Policy.

Occasionally New Zealand has publicly rallied against the Common Agricultural Policy but much of its efforts have been characterised as quiet diplomacy.

Some success has been claimed for this approach because there have been some legal undertakings given by the EEC over New Zealand's agricultural produce.

It is too early to say whether the sale of EEC dairy produce has affected the way New Zealand and the EEC deal with one another but there is a definite sense of a long standing accord having been broken.

BRIEFS

REPATRIATING IRIAN JAYA REFUGEES--Papua New Guinea has expressed its concern over Indonesia's approach to the repatriation of more than 9,000 Irianese refugees. The refugees, who crossed into Papua New Guinea from Indonesia's Irian Jaya Province, are now living in camps near the border. The Papua New Guinea Parliament was told yesterday that 93 people had died in the camps over the past 4 months, mostly as a result of disease and not starvation as had earlier been reported. Radio Australia's Port Moresby correspondent, Sean Dorney, says the foreign minister, Mr Namaliu, had told the Indonesian ambassador of Papua New Guinea's deep and growing concern at what he called the slow progress being made in negotiating arrangements for the repatriation. Dorney says Mr Namaliu has stated emphatically that the repatriation will not begin until assurances have been finalized for the safety of the Irianese when they return to their home in Irian Jaya. [Text] [BK230341 Melbourne Overseas Service in English 0200 GMT 21 Aug 84]

CSO: 4200/992

MALAYA SERIES ON MINDANAO PEACE PROBLEM

HK290239 Quezon City ANG PAHAYAGANG MALAYA in English 17-19 Aug 84

[Three-part article by Joel Paredes: "Elusive Peace in Mindanao--Part I"]

[17 Aug 84, pp 1, 2]

[Text] The road to peace in Mindanao seems as elusive as ever.

Twelve years after the outbreak of civil strife when the Moro National Liberation Front (MNLF) rebels waged a religious war to preserve the Islamic faith in the South, Mindanao remains today a war-ravaged "Promised Land."

Over 100,000 civilians have been killed in the crossfires and tens of thousands of others have been driven from their lands.

"We've been forced to take up arms; ours is a defensive war," says Abul Khayr Alonto, once the vice-chairman of the MNLF and overall commander of its militia, the Bangsa Moro Liberation Army.

Alonto and thousands of Muslim rebels came down from the hills in 1978, six years after launching the bloody struggle in 1972, on the Marcos promise that political autonomy would be granted to the 13 Muslim provinces as called for by the 1976 Tripoli Agreement.

The tripartite agreement was negotiated by the Philippine Government with Muslim leaders led by MNLF chairman Nur Musuari.

But Alonto, now 38, is more disillusioned than ever. The promised autonomy to the Muslim provinces remains a distant dream.

"It's sad today that we almost became part of the continuing betrayal of the Bangsa Moros' aspirations under the Marcos regime," says Alonto. Alonto belongs to a prominent family of devout Muslims. He is not an ideologue but a religious fundamentalist who gained his education in Cairo University in the 60's with major studies in political science and history.

His Cairo studies helped shape his dreams of a free and politically autonomous region. He later realized that he was one of the thousands of devout Muslim

youths who dream of an autonomous land where Islam will remain supreme. Islam, has, through the centuries, inspired the Muslims' resistance to tyranny and attempts of foreign imperialists to conquer the Muslim-controlled lands in the south.

The early 60's saw the formative years of the MNLF among educated Muslim youths inspired by the Algerian revolution and the African struggle for freedom and independence, Alonto recalls.

But it was not until March 18, 1969, that the MNLF was formally constituted with Nur Misuari, then a young political science professor at the University of the Philippines, as chairman. The date was chosen since it commemorated the issuance of a 1938 manifesto of the Muslim datus (leaders) in Dansalan (not Marawi City), declaring that under the tradition of the Muslims, they are an independent nation.

About this time, the memories of the Jabidah massacre, which saw the killing of more than 100 Muslim youths trained by the military to enter Sabah as deep penetration agents, was still fresh in the Muslims' hearts and minds.

Sabah is a Muslim-dominated province of North Borneo which is now part of Malaysia but is being claimed by the Philippine Government as part of its original territory.

The movement found among its supporters Sen. Ahmad Domocao Alonto, Congressman Salipada Pendatun, the late Sultan Congressman Ahmil Bangsa of Sulu, and Congressman Datu Mangilin of Cotabato and the late Sultan Rashid Lucman.

Alonto says they had initially worked for independence in the wake of the rash of massacres of their Muslim brothers.

"The governments created the condition for us to fight back," Alonto pointed out.

[18 Aug 84, pp 1, 2]

[Article by Joel Paredes: "Elusive Peace in Mindanao--Part II"]

[Text] Two years ago, Marvil D., a 15-year-old Muslim lad, was encouraged by his parents to join the Islamic struggle towards their people's liberation.

Countless fights after, he now considers himself a veteran "mudjahib" (freedom fighter) of the Moro National Liberation Front (MNLF).

But Marvil is no exceptional case in their remote village in Lanao del Sur which has become a rebel camp. Thousands of boys, some as young as 12, have joined the Muslims' 12-year-old bloody civil strife, which they called a "defensive war" in the south.

A typical day in the camp where Marvil stays, as observed by this writer, usually starts with the first of the Muslims' five prayer sessions.

For a mudjahib, his gun is his partner while in the hills, but this does not stop him from fulfilling his religious duties. The last bullet is always reserved for himself since an armed rebel can't surrender; he has to fight to his death.

But the day that I visited them, the rebels stayed with the community, who has welcomed them, despite the risks of being victims of military assaults once they are spotted by helicopters and reconnaissance planes.

The MNLF commanders, however, said the risk of being attacked inside their own camp is remote, since they have "liberated" the village from any military operation.

"Our people are one with us in the struggle," says a young MNLF commander, who claimed that two kilometers before government troops reached their camp, the residents can already tip off the rebels, so they could prepare themselves.

After years of battle, the rebels said they have reached the stage in their guerrilla warfare where they are ready to face their enemies in face-to-face combats.

It is hard to talk to the Mudjahibs when there is an enemy near the camp. But that morning was a rest day for some 100 rebels who had just returned from the battlefield in Maging town where they have a three-month old ongoing fierce encounters with army troopers, the longest single battle since violence erupted in Central Mindanao area 10 years ago.

A tall but lanky-man was taking the show that day. It turned that he was Raja Alangadi, 32, the overall commander in Lanao del Norte and Lanao del Sur as task force head.

Raja promptly explained that they are not against Christians, since they are fighting to restore peace in the homeland.

For them, joining the MNLF is not merely to fight for a political ideology, but for Islam. They are the "servants of Allah."

"We are not even against the soldiers, but we have to fight because this is war," remarked Commander Raja, once a government scholar as agriculture student at the Mindanao State University (MSU) in Marawi City.

Raja had to sacrifice a peaceful life with his family, when he decided to live in the hills with his men. His wife, who now stays in Marawi City, was taking care of their one-year-old son who died last week of parasitism.

But Raja was not consumed by grief. He believes it was part of their protracted struggle.

Apparently, the years of fighting have made the rebels firm. Raja claimed they are guided by their Islamic faith and not by any political ideology, as what the military has been accusing them. "Islam is above all and we live for Allah," he pointed out.

But before becoming a Mudjahib, a recruit has to undergo three months of continuous training on guerrilla tactics and political ideology, which is purely Islam and how the religion relates to their struggle.

Raja said they withstood mounting army strength with the support of the people.

Now, the rebels claim they are farming the lands without the government troops tracing them. Farming is their major livelihood.

Raja admitted that unlike the New People's Army, the military arm of the Communist Party of the Philippines, the MNLF is getting outside support.

Raja said they smuggle high-powered weapons through the southern route, an apparent sign that they have foreign support.

But lately, Raja said they have been producing their own weapons. To prove this, he showed a Moro-made M79 grenade launcher which they use in their assault of military camps.

Raja said they also have their own marines, using pumpboats called "Volvo" equipped with heavy firearms.

Joining the movement entails a sacrifice for a rebel. He is on duty 24-hours a day, but is given rest with his family whenever the situation permits.

In fact, some rebels had just returned from the city, where they freely mingled with civilians in spite of the presence of the heavily-reinforced government troopers.

[19 Aug 84, pp 1, 8]

[Article by Joel Paredes: "Elusive Peace in Mindanao--Conclusion"]

[Text] The Moro National Liberation Front (MNLF) claims a force of 300,000 determined to continue the 12-year-old religious war until the Muslim regions gain autonomy.

Extremists in the movement said they have the sympathy of the five million Muslims in the country, but excluding "our traitor and opportunists brothers."

But Muslim leaders believe that they have yet to unify all Filipino Muslims notwithstanding the Islamic mandate for all its followers to conform with Allah's wish that they be "not like those who are divided amongst themselves and fall into deprivation."

The rebel movement, despite the apparent growth of its strength, has reached a stage where the leadership has split up into at least three big factions: the Nur Musuari group which strongly advocates secession from the republic, the Salamat Hashim group, and the reformists led by Dimas Pendato. The latter two groups are determined to fight for autonomous government.

But in the battlefield, according to MNLF commanders, the three groups have been cooperating with each other.

Still, a respectable man, Sultan Rashid Lucman, once the Muslims' representative in the defunct Congress, dreamed of unifying his people with his Bangsa Moro Liberation Organization during his 7 years of self-exile in the Middle East.

Lucman, however died last July 21 of liver cirrhosis, just as he was about to return home to fill the leadership vacuum in the South and wage a peaceful struggle.

Former Senator Ahmad Domocao Alonto, now 70, sees no end to the bloody civil strife. "It is bound to worsen if the Marcos government will continue with its military solution," the respected leader pointed out.

"As long as there are Muslims in this country, there will be continuous fighting because they are demanding that the Tripoli agreement be implemented by the president honestly and truthfully," Sen Alonto said.

Just like most time-tested Muslim leaders, the 40-year-old senator has been waging his own struggle for the implementation of the 1976 agreement between the Philippine government and the Muslim leaders led by the MNLF, through the intercession of the Islamic Conference.

For the Muslims, the struggle is not purely political. Through the years, the South has been dominated by the religious movement. Devout Muslims are gearing towards transformation of Mindanao as an ideal place for Islam.

"Intervening in politics is an exercise in futility under a dictatorial form of government," says Sen Alonto, who explained that Muslims "cannot tolerate one-man-rule."

Under the concept of Islam, the government must be democratic "a paladin of human rights," says Alonto.

A survey conducted by Muslim leaders led by Sen Alonto on proposed solutions to the Mindanao conflict revealed that, far from living up to the Muslim population's expectations, the provisional government formed in southern Philippines has evoked remarks of disgust and disappointment from its own people.

The survey cited the following complaints:

--The people have lost confidence in the sincerity of the provisional government's officials who they suspect of being interested only in bolstering their personal interests rather than serving the needs of the people.

--The sudden haste in creating new political entities which in most cases are without sound rationale is wreaking havoc on the promotion of a harmonious political atmosphere, national and continues to provoke animosities among the populace.

--Sporadic violations of the ceasefire agreement by military forces.

Heightened tension in the south has apparently affected the people's day to day activities. Marawi City, once considered the most peaceful city in the south, is now caught in a situation where military troops have regarded a big number of the populace as rebel sympathizers.

As a result, the residents complain of a rash of military harassments since government troops intensified their antidissident campaign there recently.

The senator's son, Admad Domocao Jr., dean of the Jamiatul Philippine Al-Islam (Philippine Islamic University), said their family's compound was not spared by soldiers who once raided their house on suspicion that they were hiding a tunnel which acts as passageway of rebels who have penetrated the city.

Admad Domocao Jr., said the soldiers could easily search their house because the writ of habeas corpus remains suspended in their region and nearby Region 9, both Muslim dominated areas.

Government troops also reportedly used to raid hospital and mosques whenever they receive reports of rebels being brought to the city.

Through these years, the Muslims' struggle has slowly erased the image that there is a religious conflict in the south.

Muslim leaders pointed out that their people are now vocal against the excesses committed by government troops. Whether peaceful means or armed, theirs has become a struggle of a people who regard themselves as Filipinos but are slowly being denied their rights.

CSO: 4200/1002

PHILIPPINES

MILITARY OFFICIALS DISCLOSE NPA PLANS

HK240236 Manila TIMES JOURNAL in English 23 Aug 84 p 14

[Text] (PHILIPPINES NEWS AGENCY)--Two ranking military officials have disclosed that the New People's Army has not abandoned its plans to bomb vital government installations, including military detachments, dams, factories and irrigation facilities in Central Luzon.

Brig. Gen. Jose Magno Jr. and Bienvenido Felix, commanders of the Regional Unified Command and Constabulary-integrated National Police regional command, respectively, in Central Luzon, made the disclosure during a dialogue with municipal and barangay officials and residents of Hermosa, Bataan.

During the meeting, the two officials declassified several subversive documents showing certain plans and activities of the Communist Party of the Philippines and its military arm, the NPA.

Magno said that disclosure to the public of "classified military information is a violation of certain military regulations, but we did it for the benefit of peaceful residents."

He also explained that disclosing classified military information on communism to the public would be effective in the government's anti-insurgency drive.

According to Magno, the dialogue in Hermosa was designed to make local residents aware of the activities of the CCP and the NPA to overthrow the government through armed struggle.

He said some confiscated subversive documents showed that the CPP Central Committee issued a directive to its provincial committee last February 17 "to intensify tactical offensive against government troops."

Other documents which were seized during recent military operations in Central Luzon also contained a list of persons marked for liquidation by subversive terrorists, Magno said.

Local residents also learned during the dialogue that most of them were being "exploited" by subversive terrorists in fighting the government."

Hermosa Mayor Jesus R. Vitug told military authorities that local residents have been "very cooperative" in the government's drive against subversion in the town.

During the meeting, Felix also called on local residents to avail themselves of the free medical and dental assistance being extended by the military.

CSO: 4200/1002

DAVAO KBL POLITICIANS THREATEN TO LEAVE PARTY

Davao City THE MINDANAO MIRROR-BULLETIN in English 29 Jul-5 Aug 84 pp 1, 7

[Text] Former Davao Oriental governor Leopoldo N. Lopez and former assemblyman Teodoro P. Palma Gil will resign from the ruling Kilusang Bagong Lipunan (KBL) for allegedly getting a raw deal from KBL bigwig's in Manila.

This was revealed by Lopez himself in a casual talk with followers of KBL Region XI chairman Antonio O. Floirendo in Davao City last Saturday morning.

Lopez said that the KBL in Manila was unfair because in reality it supported his opponent, Assemblywoman Edith N. Rabat, instead of respecting the "free zone" declaration in Davao Oriental.

Lopez charged that the Rabat camp received a ₱10-million PNB check on May 8, seven days before election day.

Since money in both the Mati branches of the Philippine National Bank and the Insular Bank of Asia and America was not enough, the check had to be encashed in Davao City, he bared.

He revealed that ₱5 million in cash was brought to Mati by a Rabat confidant in a car, while the other ₱5 million was brought by plane.

Lopez however said that like the August 21, 1983 assassination of opposition leader Benigno Aquino Jr., he was sure President Marcos had no knowledge about the ₱10 million alleged aid to candidate Rabat.

"We have fought for the part and for President Marcos through thick and thin and staked our lives for him since 1965," Lopez said. "We do not deserve this injustice." He said he should have been told that there was no intention to respect to so-called "free zone" arrangement, so his group could have backed out and not spend money uselessly.

Lopez however said that he and Palma Gil have nothing against KBL regional chairman Floirendo.

"We know his hands were tied, and he never lifted a hand in Davao Oriental during the election," he said.

The Rabat camp could not be contacted for comment on the charge of Lopez about the ₱10-million election aid.

CIVIL ACTION TEAM DEFIES TERRORIST THREAT TO AID BARANGAY

Davao City PEOPLE'S DAILY FORUM in English 2 Aug 84 pp 1, 10

[Text] A civic action team braved a whispered threat from subversive terrorists yesterday to help some one hundred ailing residents of barangay Langub, this city.

"It was a case of serving the people or be terrorized and lose public support by default," said Civil Relations Group commander Lt. Col. Douglas O. Rosete.

However, the issue of civilian safety forced the team to leave earlier than scheduled to avoid getting caught by nightfall.

Treating cases ranging from rotten teeth to mild broncho pneumonia, the medical-dental team was made up of workers from the City Health Office and the 11th Civil Relations Group. A number of peace officers under Major Benito Pesic, PC, also joined the CIVAC effort.

Said Rosete: "Our boys were ready for anything but civilian safety had to come first."

Recounting the Langub sortie, Rosete reported that a crowd--"large by barangay standards"--had turned up to welcome the CIVAC caravan.

He said that there were 4 young looking men in the crowd, "very easy to notice because they seemed detached from everybody else. They just stood and watched. Then they vanished."

Soon after, according to Rosete, one of the barangay residents approached the head of the medical team and relayed a warning: "They say you have to go. Please go. There's no telling what they'll do to us."

The warning forced the team to pass up lunch, double-time on its patients and head early for the city. Barangay Langub is only 14 kilometers from the heart of the city. But the 3-kilometer approach is so steep and lined with giant holes, a vehicle can do no better than a crawl, Rosete said.

CSO: 4200/973

TOLENTINO AT CENTER OF KBL 'CONSCIENCE' CONTROVERSY

Malaya on 'Epidemic of Conscience'

Quezon City ANG PAHAYAGANG MALAYA in English 4 Aug 84 p 4

[Article by Joaquin R. Roces in "This Is My Own" column: "An Epidemic of Conscience"]

[Text]

One of the mistakes that the ruling party will never be able to live down is their having called themselves the Kilusan ng Bagong Lipunan, (Movement for a New Society). For the graft and corruption we see today, the inefficient bureaucracy, the new oligarchs, the dilapidated roads, the flooded streets, the deforestation, the deterioration of the Filipino character, the gap between the rich and the poor, are not signs of any real change having taken place as much as their having been conserved in order to serve and enrich a chosen few.

By calling their party the Kilusan ng Bagong Lipunan and failing miserably to cause such a renewal, they indelibly printed on their own-selves the mark of their failure. But there is a comforting development within the ranks of said party.

Some of its members are going through a cer-

tain degree of conscientization. (Is there such a word?) Anyway, instead of lulling us with their usual silence, some KBL members have suddenly recovered their power of speech, and strangely enough, speaking in accordance with their conscience.

First we have Manuel Collantes, who said that he would work for the repeal of Amendment 6. That he said it was enough. For it proved that he, a member of the Cabinet in the last Batasan, deep within him thought all the time that Amendment 6 was not to the public interest. Although he never said so before. But then, Collantes' thinking may be just like many of the other KBL members who feel the same way about Amendment 6 but who have yet to be conscientized. (If there is no such word, then there should be.)

Then we have Mayor Ramon Bagatsing,

another KBL stalwart, who came out openly against the use of tear gas. We really owe him an apology because we once said that he had given the order to use tear gas against the demonstrators. But it seems as if he did not give that order and that he is actually against the use of lacrimators. Obviously he does not want to be remembered as the Lacrimayor of Manila.

Bagatsing has also started to speak out against increasingly burdensome water and electric bills which are adding to the suffering of our people. People were so happy to hear Bagatsing sound not so much like a member of the Kilusan ng Bagong Lipunan but more like he was soon to organize his own Kilusan ng Bagong Bagatsing.

Then the Minister of National Defense, Juan Ponce Enrile, came out in favor of the exposure of venalities in the government so long as they are properly documented and directed the Provincial Commanders to remove all unnecessary censorship of the press.

Estelito Mendoza all of a sudden showed deep concern for the thousands of detainees suffering detention for the simple reason that they have no lawyers or because no actual charges

have been filed against them. That some of these prisoners are political, there is no doubt. And Solicitor Mendoza's statements are a far throw from what we would usually hear from the KBL hierarchy whenever we would ask for the release or better treatment of political prisoners. Because then they would say: "What political prisoners? There are no political prisoners in this land of milk and honey."

It was Arturo Tolentino, of course, who started this conscientization process. It won him his reelection. But he has not stopped because he owes it to his people not to stop. And so he called attention to the fact that KBL Batasan members before were actually discouraged from speaking out. To which, Jose Rono, Majority Floor Leader, had to reply by saying: "It is not true that Batasan members were restricted from speaking their minds out before." And then, conscientized himself, added: "Batasan members have always been free to speak up on all matters of legislative significance."

Our people would have a lot to gain if from an epidemic of silence with which the past KBL Batasan members were stricken, there were now to break out an epidemic of conscience.

Pry Open KBL Cracks

Manila BULLETIN TODAY in English 6 Aug 84 p 6

[Commentary by Jesus Bigornia: "Tolentino Stirs up Another Controversy"]

[Text] IN or out of government, Foreign Minister Arturo Tolentino stirs up as much controversy as when he ran a lone-wolf campaign for a seat in the Batasang Pambansa earlier this year. Last week, he rubbed the fur on the backs of the "fat cats" of the ruling Kilusang Bagong Lipunan (KBL) the wrong way. He said party colleagues have been frightened into abdicating their conscience by President Marcos' strict application of party discipline. As a result, he added, no new leaders have surfaced from within the ranks of the administration.

Tolentino's views expressed before a Makati business group seem to have struck responsive chords in Labor Minister Blas F. Ople who admits that a party of sheep cannot be expected to win an election, and in Defense Minister Juan Ponce Enrile who conceded that "divergent views within the party should be allowed--to a certain extent." He added: "That is why the caucus should serve as a dynamic instrument for jelling the party's stand on policies, where party men may air their personal views without fear of causing the displeasure or incurring the ire of party leaders. But once a decision has been made, the rank-and-file should support it and those who cannot should have the decency to leave the party without being asked to do so."

Deputy Prime Minister Jose A. Roño (KBL, Samar), the majority "whip" in the Batasan, does not agree with the foreign minister who is a KBL assemblyman from Manila. Tolentino went out of bounds when he insulted party colleagues, Roño says. "Party discipline is not to be equated with servility," he adds. It is a vital ingredient in cementing party solidarity. Absence of discipline can only lead to party disintegration." That Roño should take such a forceful stand on discipline is understandable. He has to "whip" majority members of the Batasan into espousing or defending party decisions and administration actions which could be widely unpopular.

Observers of Philippine politics have long ago concluded that President Marcos wields "the big stick" of party discipline. How far Mr. Tolentino's iconoclastic views have irritated Malacañang is not at present known. The Palace has been unusually quiet. But such unorthodox expressions are already beginning to pry open cracks within the ruling party. These could precede the breakup of the previously monolithic KBL--when President Marcos leaves the political scene.

CSO: 4200/973

PHILIPPINES

PHILIPPINE POWER CORP HAS \$2.8 BILLION FOREIGN DEBT

HK291355 Manila BUSINESS DAY in English 28 Aug 84 p 8

[Text] National Power Corp had about \$2.8-billion outstanding foreign debt as of December 31 last year, a mid-1984 report of the state-owned firm shows.

The bulk of the debt consists of \$1,052 million in loans directly obtained from 17 international commercial banks as well as loans channeled through the Central Bank of the Philippines. A total of \$457 million are loans from at least eight other commercial banks guaranteed by export-credit institutions. Another \$494 million are exported credits and \$213 million suppliers' credits. The rest, totalling \$538 million, are soft loans from six sources of so-called official development assistance to underdeveloped countries.

NPC owes such commercial financial institutions as Morgan Guaranty International Finance Corp, Citicorp International Bank, California First Bank, Mitsui Finance Asia Ltd, Credit Lyonnais Et al, Tokai Bank, Industrial Bank of Japan, Yasuda Trust & Banking Co, Nippon Credit Bank, Sumitomo Finance (Asia) Ltd, Bank of Tokyo, Sumitomo Bank, Mitsubishi Bank Ltd, Dai-ichi Kangyo Bank, European Asian Bank, Kleinwort Benson (HK) Ltd, Banque de Paris et Des Pays-Bas, Creditanstalt Bankverein, International Bank for Aussenhandel, Union Bank of Switzerland, and American Express International Banking Corp.

NPC issued \$367 million in "sinking" bonds and serial bonds to the international financial system to raise funds for the nuclear-based power plant in Bataan. Six separate commercial loans, including four guaranteed by export-credit institutions, also financed the nuclear plant project.

NPC has loan obligations to the following ODA institutions: Overseas Economic Cooperation Fund of Japan, International Bank for Reconstruction and Development, Asian Development Bank, International Development Association, United States Agency for International Development, and Kuwait Fund for Arab Economic Development.

CSO: 4200/1002

PHILIPPINES

VIRATA WILL DISCLOSE CONTENTS OF IMF LETTER OF INTENT

HK241305 Manila BUSINESS DAY in English 24 Aug 84 p 3

[Text] Prime Minister Cesar Virata has agreed to reveal the contents of the letter of intent the government will submit to the International Monetary Fund, BUSINESS DAY sources in industry said.

The letter of intent will be the formal request for a \$630-million standby credit from the IMF, containing the economic and financial program the government will follow for the 18-month term of the credit. Negotiations with the IMF have involved mainly the exchange rate system, the government budget deficit for this year, and the overall liquidity--the total amount of funding available.

The sources said Virata is expected to disclose the letter's contents on Thursday at a luncheon meeting to be hosted jointly by the Philippine Chamber of Commerce and Industry (PCCI) and the Management Association of the Philippines (MAP).

The sources said Virata himself had earlier signified to some members of the business sector his desire "to have a talk" after the PCCI, the MAP, the Bishops-Businessmen's Conference for Human Development and the Financial Executives Institute of the Philippines early this month urged the monetary authorities to consult with the Batasang Pambansa on the substance of the proposed program before finalizing the letter of intent to the IMF.

However, the prime minister will likely reveal during Thursday's meeting only the basic contents of the planned economic and financial program and not the full details.

The call for public disclosure of the contents of the proposed letter of intent was started last month by opposition members of the Batasan.

CSO: 4200/1002

NATIONALIST SPOKESMAN URGES FREE TRADE 'DISMANTLING'

Quezon City ANG PAHAYAGANG MALAYA in English 4 Aug 84 p 3

[Article by Dennis Fetalino]

[Text] A renowned nationalist economist assailed last week the continued stranglehold by foreigners on the country's economy and the collaboration of Filipino surrogates in the government technocracy.

Alejandro Lichauco of the Kilusan sa Kapangyarihan at Karapatan ng Bayan (KAAKBAY) called for protectionism and the dismantling of free trade before students who attended the Second Dr. Salvador Araneta International Lecture Series.

Lichauco, who spoke on the origins and the evils of free trade, said the government should protect domestic industries and gradually shift from traditional to industrial agriculture.

He noted that except during a very brief period in the 1950s which was marked by restricted imports and aggressive exports from a booming cottage, the Philippines has never really risen above the free trade trap.

He said that after this period, the government of then President Diosdado Macapagal reverted to the free trading system characterized by a heavy inundation of financial aid mainly from the World Bank and the International Monetary Fund.

The overall result of this was the stunting of the country's potential to industrialize, with three-fourths of the country not having the chance to develop its manufacturing capability, he said.

Quoting the late Dr. Araneta, he advised Filipinos "to reject the free trading system, forget American aid, protect the economy and encourage industrialization."

Lichauco said that "contrary to popular belief, what we face today is not a crisis of morality, dictation nor the lack of integrity but of underdevelopment."

He deplored the fact that a nation of 52 million people could not even make its own fountain pens, typewriters, optical instruments and farm implements. Worse, he said, it could not even produce its own rice, bread, fertilizers and pesticides.

He noted that we could not produce anything without resorting to importation.

Lichauco said other countries also borrow, but their survival does not depend on the loan grant, which makes the Philippine experience quite unique.

"During the war, we were a nation of 14 million Filipinos who grew crops and had enough food in the countryside: our knowledge of fertilizers and pesticides was virtually nil," he said.

"After the war, however, we began the path to regression as a result of the International Rice Research Institute (IRRI) and other foreign agriculture-related bodies which preached super production and the use of high-yield varieties of rice," he said.

He dismissed dollars deficiency as the root of the crisis as in other countries, the US included, are also encountering dollar problems.

CSO: 4200/973

MALAYA BUSINESS COLUMNIST CONTINUES ANTI-CHINESE ARTICLES

Quezon City ANG PAHAYAGANG MALAYA in English 5 Aug 84 p 3

[Article by Jake Macasaet in the "Business Views" column: "Citizenship for Convenience"]

[Text]

When a foreigner acquires Filipino citizenship by naturalization, he is required to swear allegiance to this country and defend its Constitution. As a Mr. Edward Lee nastily told me in his unsigned letter, the Philippine Constitution does not make distinction of Filipino citizenship as regards ethnic origins. I thought I am aware of that, too, and I will officially acknowledge to Mr. Lee through this space that he is absolutely correct.

I have a few more things to say about some Filipino citizens of Chinese ancestry or origin. The information I have so far gathered indicates that some Chinese acquire Filipino citizenship for business, if not for political, convenience. Loyalty to their adopted homeland does not exist in their books. If it does, it has no meaning to them at all.

We have reported that the Chinese group who made huge profits by the exclusive importation of fresh fruits and canned fish have converted such profits into foreign currencies — mostly American dollars — with the assistance of a Chinese-controlled dollar smuggling ring. A big portion of the funds was placed in a bank in Hong Kong which reportedly ran into trouble and was taken over by the Hong Kong government through the Hong Kong and Shanghai Banking Corp. The bank is now reportedly functioning normally and even smoothly again, but the \$30 million deposited there at the behest of a powerful Chinese businessman in Manila cannot be withdrawn.

Some Filipino Chinese, particularly those with powerful positions or influence in the Federation of Filipino-Chinese Chambers of Commerce, have a funny way of showing loyalty to their adopted homeland. They do this by having their own bank in Taiwan. The powerful figures of the Kuomintang Party in the Philippines openly swear alle-

giance to the Taipei government and to the party once a year on Oct. 10.

That oath of allegiance is proven further by deed. We have information that at least three ranking members of the Kuomintang Party in the Philippines are elected legislators of the Taiwan government. One of them, we are told, is a ranking official of a Kuomintang-controlled higher institution of learning. The other one's first name is the same as that of a French conqueror who is now considered in the world Catholic hierarchy as an anti-Christ.

It is said that big Chinese business in the Philippines is essentially controlled by powerful members of the Kuomintang Party who are also the lords of the Federation of Filipino-Chinese Chambers of Commerce. Our Chinese friend informed us that the federation has its secret court that tries cases involving business and non-business offenses. Since the federation does not have a jail, it does not mete out corporal punishment or jail term. The punishment, we are told, usually takes the form of a sanction against the business operation of an alleged offender. In some cases, he said, heavy fines are imposed. The court limits the hearing of cases where the litigants are all Chinese.

Being appointed legislators in the government of Taiwan while maintaining Filipino citizenship could be a very sticky issue. Of course, it is the best deal that a Filipino-Chinese could get. But how does this arrangement figure with the renunciation of allegiance to the former country that a Chinese must make when he acquires Philippine citizenship by naturalization?

Theoretically, a Filipino citizen who is appointed a legislator of Taiwan is a threat to both the Philippines and Taiwan. But if we know the Chinese, the threat is more on the Philippines. If the acquisition of Philippine citizenship had not been done for convenience, the Chinese would not have had the opportunity of having equal treatment with the Filipinos as guaranteed by the Constitution.

But if this constitutional requirement is skirted by swearing allegiance to two countries, there should be enacted a law that would make it difficult for all foreigners to acquire Philippine citizenship.

BULLETIN TODAY SUPPORTS PRESIDENT ON AMENDMENT NO 6

Manila BULLETIN TODAY in English 9 Aug 84 p 4

[Editorial: "Amendment No. 6"]

[Text]

IF it were only possible in a country where freedom of expression prevails to agree on a truce on some political issues in order that the energies of the protagonists can be concentrated on the gravest problems, the controversy over Amendment No. 6 should be laid to rest temporarily.

The country is undergoing an economic crisis. Production has slowed down on account of a shortage of foreign exchange. While the government has been trying out measures prescribed by the creditors, it has not truly succeeded in meeting its targets, which goes to show how difficult it is to manage an economy in crisis.

It would be advisable to devote more thinking on the sticky aspects of the economic problem before greater loss is sustained.

Amendment No. 6, which grants decree-making powers to the President under certain circumstances, is not as fearsome as it appears, first, because of the enlarged minority in the Batasang Pambansa, and second, because of the power of judicial review of the Supreme Court.

The new minority is mentioned in this regard because it carries a voice that is far louder than its numbers suggest; it is a check on the presidency. Any unwarranted use of power under Amendment No. 6 would, in view of the strong opposition, be a political strike against the presidency.

We cannot also discount the power of judicial review, which is currently being exercised by the Supreme Court in regard to some decrees on nation-

al security which are perceived by the leadership of the Integrated Bar of the Philippines to be obnoxious to human rights.

The President has outlined his reasons in favor of his decree-making powers. The true test of the validity of those reasons will surely come. The ball will be in his court. In the meantime, let us grant him the validity of his perceptions.

CSO: 4200/975

NAMFREL HEAD OUTLINES 10 POINT AGENDA

Manila BULLETIN TODAY in English 9 Aug 84 p 3

[Text]

Jose Concepcion Jr., chairman of the National Citizens Movement for Free Elections (Namfrel), has proposed a 10-point agenda that the people can pursue with the government towards restoring its credibility and reaffirming the process of achieving change in a peaceful manner.

Concepcion made the proposal in a speech before the members of the Mandaluyong Chamber of Commerce and Industry at the Meralco Light-house.

He said that the proposals are:

1. Repeal of Amendment No. 6, through a resolution to be initiated by the President himself to the Batasang Pambansa acting as a constituent assembly, for submission to the Filipino people in a plebiscite, as a gesture of good faith and in recognition of the fact that the ruling party by its sheer

majority can move the Batasan to act immediately to meet any exigency.

2. Under the principle of command responsibility, the immediate dismissal from the service of all military officers and men charged with the responsibility of providing security to Benigno Aquino Jr. the day he was assassinated, without prejudice to the filing of criminal and other charges as may be warranted by the results of the Agrava investigation.

3. Replacement of the Cabinet with men of demonstrated competence and proven integrity.

4. Relinquishment of all government involvement in business, except for areas where the private sector is unwilling or unable to venture.

5. Enactment of an Omnibus Export Incentives Act that will propel the export sector to carry

out its crucial role in increasing the country's foreign exchange earnings.

6. Promotion of public accountability by first, the repeal of the constitutional provision granting immunity from suit to the President and others acting under his orders; and second, requiring all elective officials to make a public accounting of all funds entrusted to them and forms.

8. Replacement of the Commission on Elections with men of demonstrated in office.

7. Streamlining of governmental requirements, procedural steps, reports impartiality and integrity.

9. Enactment of a strong and impartial Election Code that will improve upon the safeguards of the last election.

10. Restoration of Namfrel as the citizen's arm of the Comelec.

CSO: 4200/975

NEW RECORD REFLECTS POLITICAL AWARENESS IN MUSIC INDUSTRY

Quezon City ANG PAHAYAGANG MALAYA Weekly Supplement SUNDAY in English 5 Aug 84
p 5

[Article by Vida A. Gonzales: "On Solid Ground Now, APO Hiking Society Takes Shots at Local Politics"]

[Text]

POLITICAL HUMOR.
That's all there is to it;
that's all there ever was.

And because Danny Javier, Jim Paredes and Boboy Garrovillo — the Apo Hiking Society — so declare with straight faces, perhaps all those wild talks about their new album, *Feet On The Ground*, are really baseless.

Still, in this, as Jim puts it, "atmosphere of repression" (and Boboy: "self-censorship overkill"), the LP, from the album jacket concept down to two specific cuts in the nine-piece collection, is sufficiently provocative.

Add to this the quite well-known fact that each of the trio has long known how private individuals can and do suffer due to general confusion in government (a stepfather, a brother-in-law and several friends are political prisoners), and what results is, naturally, a melange of speculations not altogether true, but certainly saucy.

Feet On The Ground being a "touchstone" LP of sorts, the Apo, together with manager-friend Butch Dans, had gone for a Beatles' *Abbey Road*-type of

cover shot which they went on to execute on Narra Road in Forbes Park.

Abbey Road, they explain, was the Beatles' transition LP, musically and spiritually. Rather inevitably — and this may be the story of their lives — humor reared its hilarious head as usual. A cop came to drive them away and, panicking for a "punch line" to the front cover shots, they chanced upon Marco Sison, a WEA Records artist like themselves, whom they promptly asked to run them down with his car. At the time, it was unadulterated mischief.

Then the proofs came. In one there were strangers along the roadside, witnessing the running 'em down. In another there was only Butch visible, hamming it up, a lone, lonely victim sprawled on the concrete pavement, wearing denims and a blue workshirt — just like George Harrison's, of course, on the *Abbey Road* jacket and, oh my goodness, just like Rolando Galman's!

So much for the accidentals. Now, they asked themselves, do we go ahead with what we all are thinking? The answer was

unanimous. Thus the LP jacket came about.

Political humor.

"The whole production was meant to be just fun, but it sort of started being attributed to our alleged activist leanings," Danny sighs, "that at one point we started believing that we did that purposely."

"Perhaps we did, too," Boboy interjects. "Subconsciously."

"What I'm sure of," Jim butts in, "is that, in the end, there were no more accidents. Many friends tried to dissuade us from using the photographs. So when they finally came out, anyway, deliberate na 'yon. Pinag-usapan. We had been eventually left with one single question: why not?"

So that's the story of the jacket. The songs tell a different tale.

The album was pre-sold by a preppy upbeat love song written by Louie Ocampo and Allan Ayque. Though they are a group distinguished from the rest for being able to write their own songs, the trio didn't mind this at all.

"That's how Apo record sales go," Danny explains. "People hear one song and they want to hear the rest of the LP."

Those who did were not disappointed. Jim Paredes was in top form, delivering at least three more potential sellers. Boboy's sole contribution as composer may likewise spring a surprise on hit charts, given enough exposure. Danny, still on weary feet after a death in the family, managed only two songs and one collaboration with Jim, but one of those two songs, Prisoner's Lament, is a source of pride and joy, like a bright and

healthy baby, for the whole group.

The song tells of a prisoner's firm resolve to keep his spirit intact and his fight for justice alive. Nowhere in the song is politics or ideology pointed to explicitly as the cause of incarceration — and the lament, therefore — but somehow, this was what came across to many listeners.

"That," stresses Jim, "We couldn't help. Every song inevitably carries a message, and this message reaches different people in different ways. If the song was received as a political protest, again I think it's because of this atmosphere of repression."

"Another way of putting it," Boboy offers, "is, you know, even if martial law is supposed to have been lifted, martial law period pa rin in the hearts and minds of many people. I guess that's how strongly martial law has affected Filipinos."

"And we're Filipinos, remember," Danny says. "Our songs in this album cannot but reflect us as individuals and artists, and where we are now."

Artistic status-wise, this means, Jim elaborates, "We refuse to be censored in any way. We maintain that for a song to go into an album, there should be only one criterion: is it a good song? We never ask: Is this gonna hurt anyone?"

"Physically," Danny adds, "this should explain many things as to our suspected motives. Where we are right now is here in the Philippines, where things are happening. We see, we hear, we are involved, we are affected. We buy gasoline, we use sugar, we eat rice."

They cope, they . . . lament.

And here Danny admits: "Prisoner's Lament was a product of what I call my 'con-

scientization process' about several friends who had been in there for having politically active minds. I often asked myself, am I doing anything for them? Not that this song is all I can do. It was just like thinking aloud."

Jim's own exhortation for peace and justice and freedom — Brothers, Sisters, Mothers, Fathers — was sparked by the "very good feeling" that descended on him while attending the professionals' protest rally in Makati.

"It just hit me, you know," he smiles, remembering. "Everyone was there, like one family, asserting its rights, and presumably being heard."

The "wave of the future," he thus wrote, "coming right at you between your eyes."

Danny, Jim and Boboy are proud of the two songs, not because they are widely construed as daring expressions, but because they were written and performed without an angry accusing finger.

They merely perceived, intellectualized, created. If, in doing so, they stepped into danger zones, that's just too bad. If, on the other hand, they also managed to profess oneness of conviction with their listeners, they're not complaining.

PHILIPPINES

MANILA EDITORIAL FAVORS RESTORATION OF HABEAS CORPUS IN SOUTH

Manila BULLETIN TODAY in English 7 Aug 84 p 4

[Editorial: "'Writ' in the South"]

[Text] IN answer to a query from the floor during the Second National Convention of Lawyers, the President said the privilege of the writ of habeas corpus may be restored any time now in Regions 9 and 12, the heavily Muslim autonomous regions in the south. The President noted the improvement of the peace and order conditions.

This was welcome news to the people of the regions and to the whole country.

The suspension of the privilege is an extreme remedial measure and is resorted to in those cases mentioned in the Constitution "when the public safety requires it."

The privilege of the writ has remained suspended in the two regions presumably because of the secessionist problem. By all accounts the problem has subsided. Local leaders have been making representations for the restoration of the privilege. It is encouraging to note that the President has been carefully considering the advisability of lifting the suspension.

It would seem, judging by the situation, that even if the privilege is restored the law enforcers are capable of coping successfully with whatever new problem may arise in the near future.

The privilege of the writ has been suspended for a long time. To lift the suspension would be to give a break to the people, most of whom are law-abiding citizens.

CSO: 4200/975

MINDANAO AFP OFFENSIVE DISLOCATES OVER 4,000

Manila BULLETIN TODAY in English 7 Aug 84 p 3

[Text]

Some 687 families, consisting of 4,122 persons, have been displaced as a result of ongoing military operations in different barangays of the town of Maguing, Lanao del Sur.

Another report received in Camp Aguinaldo yesterday from military field commanders said that 198 families, consisting of 992 persons, were displaced from sitio Lana-ga and Rizal of barangay Cogon, Basey, Western Samar, because of the presence of a group of armed men who

burned 31 houses last July 23.

The burned houses included 10 in Lana-ga and 21 in Rizal.

Col. Victor R. Pagulayan Jr., administrator of the Defense Ministry's National Disaster Coordination Center, said the displaced families in Western Samar have evacuated to the neighboring barangays of San Agustin and Cogon and the town proper.

The report from Lanao del Sur was sent by the commander of the

2nd Brigade of the 3rd Infantry Division who said the displaced families are now in barangays Balintao, Siawadato and Busally of Maguing and Gum-bayabag. The others have evacuated to Marawi City and nearby towns.

According to the brigade commander, the Philippine National Red Cross and the Ministry of Social Services are in close coordination with the 3rd Division (Army) headquarters and local government in attending to the needs of the evacuees.

CSO: 4200/973

GROWING ROLE OF CHURCH IN ILOCOS OPPOSITION REPORTED

Quezon City ANG PAHAYAGANG MALAYA in English 5, 6 Aug 84

[Article by Larry Sipin: "A New Breed of Priests in Ilocos"]

[5 Aug 84 p 3]

[Text] LAOAG CITY - The May 14 Batasan elections have sparked a display of anti-administration sentiments unheard of in Ilocos Norte since its favorite son, President Ferdinand Marcos, rose to power.

At the forefront of the "schism" is the Catholic clergy, which is developing into a pressure group that could very well become the check and balance mechanism in this KBL-controlled province.

There is also the opposition - disorganized during the Batasan elections but now bent on closing ranks with the realization that "the opposition, properly organized, can beat the KBL in Ilocos Norte."

The Priests' Assembly, an association of Ilocos Norte clerics, served notice that it is ready to assume an active role in local politics when it issued a strongly-worded statement branding the May 14 polls as a "mere formality, if not a mockery."

They were referring to the proclamation of the President's daughter, Imee Marcos-Manotoc, as one of two official KBL bets, and the subsequent withdrawal of several established politicians who had earlier signified their intention to run. The statement marked the first time in memory that local clerics assumed a defined stand on a political issue.

Bishop Edmundo M. Abaya of the Diocese of Laoag, however, said that the clergy does not intend to become a political force.

"We are a moral force, not a political force," he emphasized.

Members of the clergy interviewed by Malaya, however, hinted that priests can greatly influence the moulding of political opinion in the province, considering that 85 per cent of Ilocos Norte's close to 400,000 population is Catholic.

Political observers here pointed out that the clergy cannot effectively play its self-imposed role as a "moral block" if it does not concern itself with political issues.

Monsignor Gil A. Albano Jr., chancellor and episcopal vicar of the Laoag diocese, said the gospel should be preached in the context of its relevance to current issues, including political issues.

The thoughts and messages of the gospel would remain to be abstract ideas if these are not applied to concrete situations, Albano explained. He said, however, that the priests have not used, and will never use, the pulpit to express their individual political leanings and opinions.

"We do not impose our political thoughts . . . We only want the people to be more sensitive to political issues," Albano said.

(To be concluded)

[6 Aug 84 pp 3, 6]

[Text]

Even as the May 14 polls is now a thing of the past, the priests continue to maintain that the political situation in Ilocos Norte is "questionable, self-defeating and far-from-normal" because the people were

deprived of their right to choose the representatives whom they feel could best serve the province in the Batasan.

While local government officials welcomed the growing involvement of the clergy as a sign of their wil-

lingness "to help," local officials debunked the contention that the political situation is abnormal and questionable.

Laoag City mayor and city KBL chairman Rodolfo C. Farinas said that provincial and municipal officials are constantly in touch with the grassroots. The general sentiment, he said, is that of total support for the government.

Farinas said the clergy may participate in government affairs for as long as there are no constitutional violations in their participation.

"We are inviting them to tell us the specific areas where they would like to be of help," he said.

Farinas, however, chided the priests for "failing to see the other side of democracy" when they raised the dynasty issue against Marcos.

He said that in a democracy, anyone with the qualifications and none of the disqualifications may run for public office. To bar a person from seeking an elective post because he has blood relations with an elected official is undemocratic because it violates the principle of equal rights, Farinas pointed out.

There is no law prohibiting children of Presidents to aspire for public office, he said.

Farinas cited the late senators Sergio Osmena, Jr. and Gerardo Roxas as examples of presidential offsprings who occupied elective posts.

Meanwhile, local oppositionists claimed that the people of Ilocos Norte are disenchanted with the administration.

Lawyer Arturo Romero, the lone opposition (Independent) candidate in the May 14 elections, said that the 25,000 votes he garnered against

"all odds" in his losing bid should awaken local leaders to the reality that the people of Ilocos Norte are fast discarding the blind loyalty they used to have for the President.

"My 25,000 votes may pale in comparison with the more than 100,000 votes garnered by each of the two KBL candidates, but the number is significant, considering that it was achieved against the full force of the KBL machinery," he said.

Romero disclosed that he is meeting regularly with a mix of independent-minded local leaders to form a core group that could serve as the heart of the opposition in coming elections. He said his group would welcome the support of the United Nationalists Democratic Opposition (UNIDO) since it will give local oppositionists better chances of winning in future polls.

The KBL can be beaten if the opposition here is properly funded and organized, he said. Romero's image as a true oppositionist, however, has been tarnished by the open support he showed for Mrs. Manotoc during the election campaign.

"I was trying to split the KBL votes, knowing that I could not possibly beat Imee, but I could (beat) the other KBL bet, Antonio Raquiza," Romero explained.

But despite the loudening voice of Marcos dissenters, observers here believe that the KBL is unbeatable in Ilocos Norte.

As Mayor Farinas puts it, "Ilocos Norte is Marcos country and the people here will always be loyal to the President."

The validity of this contention though will be tested in forthcoming elections.

ANTINUCLEAR RALLIES PLANNED TO OPPOSE BATAAN POWER PLANT

Quezon City ANG PAHAYAGANG MALAYA in English 6 Aug 84 pp 1, 8

[Text]

BALANGA, Bataan—A province-wide march-rally timed for the 39th anniversary of the atomic bombing of Hiroshima on Aug. 9 is being organized here by a revived anti-nuclear movement opposed to the atomic power plant in Morong town.

The anti-nuke movement was being stepped up as the December opening of the Bataan nuclear plant neared, and amid reports that two batches of uranium-loaded radioactive fuel for the power plant were shipped to Morong in mid-July.

A group from the Manila-based Nuclear-Free Philippines Coalition met with concerned citizens of this town last week to rally them behind the "Nuclear-Free Bataan," a localized movement dedicated to preventing the plant's operation or at least making sure the nuclear facility is really safe.

Nuclear-Free Philippines, meanwhile, reported widespread fear in the province of an expected "massive" crackdown by the military on anti-nuclear groups.

Rev. Elmo Gideon B. Manapat, Nuclear-Free

Philippines executive secretary, said the recent joint decision of the Bataan Mayors' League and of the Bataan Constabulary Command headed by Col. César Alvarez to put up PC detachments in populated areas was a prelude to the feared crackdown.

Manapat, who was here last week to rally the heads of civic and religious organizations behind the Nuclear-Free Bataan movement, said one indication of the "escalated militarization" of Bataan was the placing of the whole province under red alert and the putting up of checkpoints along the national road beginning the day before the delivery to the province of the power plant's nuclear fuel.

During his conference with local civic and religious leaders, Rev. Manapat urged the residents to register their opposition to the opening of the completed nuclear plant "or at least press them to make sure the plant is really safe."

It was agreed that the Nuclear-Free Bataan would lead a march-rally in the whole province on August 9, the interna-

tionally-recognized commemoration date of the first and only time the atomic bomb was used. On this date also are honored the thousands of Hiroshima's atomic blast victims.

A court injunction will also be sought to stop the plant's operation. Signatures are being gathered for the injunction petition.

Rev. Manapat called the Bataan nuclear power plant "impractical," saying the projected profit from the plant's operations would only be enough to pay the loan to construct it, which has doubled from \$1.1 billion to \$2.1 billion.

The reactor used in the BNPP, Manapat said, was forced on the Philippines because the United States has overproduced nuclear reactors.

He said the only beneficiaries of the BNPP are the Bataan Export Processing Zone, Clark Air Base in Angeles City, and the US Naval Base in Subic Bay which, according to him, "only serve the interest of foreign governments."

Manapat also said that according to findings of nuclear experts, the BNPP is 90 per cent accident-prone because of the presence of Mt. Natib in Abu-

cay.

In a news release, Nuclear-Free Philippines revealed that the atomic fuel delivered to the plant site in Morong consisted of two batches of a total of 121 fuel assemblies.

The first batch of 87 assemblies were flown in from Charlotte, North Carolina, at 11:10 p.m. on Sunday, July 15, while the second batch containing 34 assemblies was transported the next day.

They were loaded from two flights of the Flying Tiger transport airline at the new Manila international airport, and transported July 18 and 19 to Morong, Bataan via a convoy of 17 Transcon container vans under heavy guard by Philippine Marines soldiers.

According to reports received by Nuclear-Free Philippines from its Bataan-based organizations, the drivers who took part in the operation were strictly screened and specially briefed. Each of the Transcon drivers were insured for \$200 and were given an incentive pay of P250 apart from their regular pay.

Bataan residents also reported that since the day before checkpoints were set up along the national road the convoy passed. They observed that the convoy stopped every 7 kilometers and that, on every stop, the tires of the container vans were doused with water.

CSO: 4200/973

ENVIRONMENTAL DESTRUCTION, VIOLENCE IN 80,000-STRONG GOLD PANNING CAMP

Manila BULLETIN TODAY in English 8 Aug 84 p 27

[Article by Romeo Chan]

[Text]

DAVAO CITY — The management of Picop (Paper Industries Corp. of the Philippines) is puzzled on what to do with the approximately 80,000 gold diggers who have encroached on its timber concessions in Davao del Norte and Agusan del Sur.

The gold diggers were reportedly resisting efforts of the management to drive them out of the concession areas.

Company officials complained the gold hunters have been destroying the forest reserves by digging tunnels. They said that hundreds of hectares of timberland were destroyed by the gold diggers in Mt. Diwata on Monkayo town, Davao del Norte, where high-grade gold deposits were discovered.

Forested areas in Salvacion, Agusan del Sur, are also destroyed by the gold diggers who have flocked into the town after the discovery of gold deposits in that area.

The gold hunters have served notice they will shoot it out with the Picop guards should they be

forced to leave the panning areas. The gold hunters were reportedly backed up by a force of 330 fully-armed military men under a certain Commander Dimas Guerero who is operating in Agusan del Sur.

Early this week, Natural Resources Minister Rodolfo de Rosario dispatched a team to Picop to study the situation in Davao del Norte and Agusan del Sur.

The situation in the gold panning town has become alarming because of recent violent incidents involving panners and armed brigands, NPA rebels and MNLF terrorists, soldiers and NPAs, panners and members of the "Lost Command" and concession guards and the panners.

It was also reported that prisoners and convicts in the custody of lawmen were being utilized in gold digging activities in Davao del Norte and Agusan del Sur. Brig. Gen. Pedrito de Guzman, 10th PC-INP commander has warned jail wardens in his area against this practice

NEGROS RESIDENTS SEEK INDEMNITY FROM AFP-NPA SHOOTOUT

Quezon City ANG PAHAYAGANG MALAYA in English 6 Aug 84 p 3

[Article by Edgar A. Cadagat]

[Text]

BACOLOD CITY — About 80 civilians, all residents of Sitio Botilo, barangay Pook of Hinobaan, Negros Occidental, trooped recently to the 7th IB headquarters in Dancalan, Ilog, Negros Occidental, demanding P10,000 as payment for damages they sustained during an encounter between the 7th IB and the New People's Army last June 24.

They also demanded that Loel Caniendo, a civilian wounded during the shoot-out between the two armies, also be compensated. The residents said Caniendo incurred heavy expenses for a major surgical operation he had to undergo for wounds sustained during the encounter.

The army version, meanwhile, said that on June 24, some members of the 7th IB were "bushwhacked" (ambushed) by NPA men in the sitio.

The series of fire exchanges hit and damaged many houses, with a stray bullet hitting Caniendo.

It was not learned,

however, whether the 7th IB would accommodate the aggrieved residents' demands.

Meanwhile, the Negros Tactical Command (NETACOM) which has jurisdiction over all counterinsurgency operations in Negros said that the NPA has lately become visible in Hinobaan.

Last July 15, 50 NPA members confiscated 31 cavans of palay from a certain Julio Gonorano in sitio Dungat, barangay Asia.

Again on July 19, 10 men believed to be NPAs entered barangay Sangke and took away the 8 cows of Petronilo Fortaliza, 64.

Meanwhile, Honey Garlit, 18, of Sitio Candiis; and Nora Sabanal, 16, of Sitio Guyodon, barangay Buenavista, Himamaylan town were arrested by a military patrol for being suspected as NPA amazons.

Church sources, however, said the two were students of herbal medicine.

WOMEN DISCUSS REASONS FOR JOINING, LEAVING NPA

Davao City THE MINDANAO MIRROR-BULLETIN in English 29 Jul-5 Aug 84 pp 1, 7

[Article by Greg G. Borja: "Why do Women Join the NPA?"]

[Text]

MALAYBALAY, Bukidnon — Why do some women join the New People's Army (NPA)? Is it because of ideological commitment or emotional involvement? Why do many of them break up relations with the rebels?

A good number of them have returned to the folds of the law to tell their tales.

The newspapers call them "the amazons of the New People's Army."

They can be fierce fighters, but they can also be as docile as the homely wife next door.

What prompted these women to join armed struggles has baffled many, although Philippine history is replete with accounts of Filipino women taking active role in armed uprising.

"There is no doubt that women can do as well as the men in armed struggles," said Col. Maglano Adalem, commander of the Third Brigade of the Fourth Infantry Division here.

Here in Malaybalay, the Army had suffered one of its setbacks when one officer was killed in an encounter with a group of rebels led by an amazon.

The military countered with a "love campaign."

"The love campaign" convinced some 50,000 NPA supporters in Bukidnon that the gov-

ernment troops are the true army of the people.

Many of those who surrendered were women.

"For these NPA amazons, emotional involvement rather than ideological commitment was the main reason why they joined the rebels," said Col. Adalem.

"It was our emotion which made us realize our mistake and made us return to the folds of the law", said Lydia Vellejera, 42.

Lydia, who was known among the NPA's as "commander Shirley," was an active family life apostolate when she was recruited by the NPA's.

A devout Catholic lay leader, Lydia, who is from Bangcud, Malaybalay, could talk convincingly about military abuses because her religious work had brought her to many places in Bukidnon.

She cited an incident she witnessed where a civilian was mercilessly mauled in public by uniformed men.

"But I soon learned that the Communist ideology and my christian upbringing were irreconcilable," she said.

"In the months that I was with the rebels, I realized that the rebels are even more abusive, and do not have respect for hu-

man lives," she added.

What made her finally decide to break relations with the rebels was when she was told that the NPA will liquidate the barangay captain of Bangcud, a personal friend.

Not only did she warn the said official, Lydia also stayed with him during the time the members of the dreaded Sparrow Unit were in the barangay.

Fortunately for Lydia and several other NPA amazons who realized they made a mistake in joining the rebels, army men were deployed in the baarngay to drive away the rebels.

Lilla Torrelino, 20, a first year secretarial student, was among those who presented herself to the government soldiers. She said she was recruited by the NPA as medic and undergone training on herbal medicine and acupuncture with the rebels.

Minda Landag, 25, told the soldiers that she personally volunteered her services to the rebels. Like Lilla, she was an NPA medic.

Elsa Biscog, a frail but pretty 21-year-old amazon, could not believe that her rebel companions had left her for good.

Where it not for the soldiers, Elsa, once an active member of the NPA semi-legal team, could have died of fever and tuberculosis.

CSO: 4200/973

PHILIPPINES

BRIEFS

HONG KONG FIRMS TRANSFER--Fourteen Hong Kong-based firms are planning to relocate their plants to the export processing zones in the Philippines before China takes over the crown colony in 1997. This plan of the Hong Kong-based companies was bared today by Export Processing Zone Authority Administrator Renato Cayetano, who is also deputy minister of trade and industry. Cayetano said the firms are engaged in the manufacture and production of various goods, ranging from jewelry to electronic products. Three foreign firms based in the crown colony recently transferred to the processing zones in Maktang and Bataan. [Text] [OW281323 Quezon City RPN Television Network in English 1100 GMT 28 Aug 84]

ARMY ORDERS SHOULDER PATCHES--Army Chief Major General Josephus Ramas today ordered the restoration of shoulder patches in a bid to deter soldiers from committing abuses. Ramas said the shoulder patches identified the unit where an army trooper belonged. He said an army trooper would think twice before committing abuses, especially if he has an identifiable mark on his shoulder. Ramas ordered Colonel (Valeriano Yap), chief of the personnel of the army, to immediately implement his directive restoring the wearing of shoulder patches [words indistinct]. [Text] [HK241205 Quezon City Maharlika Broadcasting System in English 1100 GMT 24 Aug 84]

CSO: 4200/1002

OFFICIAL SAYS STEPS AGAINST PIRATES TO INTENSIFY

BK190057 Bangkok THE NATION REVIEW in English 19 Aug 84 p 1

[Text] Thai Government authorities will intensify their intelligence-gathering and coordination among various government agencies in their anti-piracy activities in the Gulf of Thailand, Secretary General of the National Security Council [NSC] Sqd Leader Prasong Sunsiri said yesterday.

Prasong also told THE NATION that he will inform United Nations High Commissioner for Refugees [UNHCR] Poul Hartling, who is scheduled to arrive here on September 4 for a visit, about atrocities on high seas against converted fishing trawlers seized from Thai fishermen.

"We will discuss the situation of the Indochinese refugees. But if the question of boat people comes up, I will tell him what we have known about the Vietnamese pirates," Prasong said.

Hartling has two scheduled meetings with Prasong, one before and the other after his trip to Hanoi. Hartling will leave Bangkok for Hanoi on September 7 and return here on September 10.

The NSC chief said during the past three to four months, Thai fishermen encountered Vietnamese boats equipped with weapons on several occasions. Several of the Thai fishing trawlers were robbed and seized by the Vietnamese near Losin Island, some 85 nautical miles from Songkhla.

"Some of the Vietnamese boat people who survived attacks also told Thai officials they were robbed by Vietnamese pirates," he said and added that other groups of Vietnamese refugees who landed in Malaysia also told United Nations officials of similar stories.

The decision to intensify both intelligence work and coordination among government agencies concerned with the anti-piracy programme was made during a meeting held in Songkhla on Friday. Attending the meeting were officials from the Harbours Department, Royal Thai Navy and marine and local policemen.

Prasong said this year, there will be a joint headquarters to coordinate the work of all the government units involved in the anti-piracy programme. "In the past, coordination among these government units was a big problem," he said.

He said the new headquarters will be at Songkhla naval station where the anti-piracy unit funded by the UNHCR is based.

Prasong expressed confidence that with more coordination, the authorities will be able to deal more effectively with piracy.

The Harbours Department and the local police will be primarily responsible for the intelligence work, especially in keeping a close watch on fishermen who go out to sea and the registered trawlers.

"The Harbours Department has information on all the trawlers and skippers who are registered with it. And that would help us in investigating any problems that arise," he said.

The delivery of a Nomad reconnaissance aircraft by Australia will also help the anti-piracy work to be more effective, he said. Prasong said the aircraft can fly at longer hours and share the strain of searching on the sea by boats.

Prasong said the Nomad plane, which was given by Australia to help in the anti-piracy programme recently, had been flying surveillance flights over the gulf and coastal areas to watch out for illegal maritime activities.

UNHCR recently extended the anti-piracy programme for another year with a donation of US\$3.6 million (about 82 million baht).

In 1983, international aid officials said 81 out of 155 refugee boats arriving in Thailand were attacked by pirates.

CSO: 4200/978

FOREIGN MINISTER TO VISIT LATIN AMERICA

BK180831 Bangkok Voice of Free Asia in Thai 1000 GMT 17 Aug 84

[Text] Sawanit Khongsiri, Foreign Ministry spokesman, gave a press conference this morning at the Foreign Ministry Information Center. He said Air Chief Marshal Sittha Sawetsila, foreign minister, will pay an official visit to Latin America 10-23 September. The countries he will visit are Brazil, Uruguay, Venezuela, and Jamaica. After his visit to these countries, the foreign minister will participate in the annual UN General Assembly, which will take about 3 weeks, after which he will return to Thailand via Japan. The purpose of the foreign minister's visit to the four Latin American countries is to expand relations, which are currently still limited, with those countries; to seek the cooperation of international organizations; and to expand bilateral trade and cooperation.

On the foreign minister's visit to Japan, the Foreign Ministry spokesman added the following:

[Begin Sawanit recording] The foreign minister instructed me to inform you that his stopover in Japan is aimed at following up on trade deficit talks with that country. The visit to Japan will be similar to his previous visit to China. That is, political discussions will be blended in with discussions on trade and agriculture. It will be a followup on the talks Finance Minister Sommai and Commerce Minister Kosn had with Japan. The government regards the trade deficit with Japan as a very important matter that requires every possible effort to resolve. [end recording]

CSO: 4207/193

WOULD-BE ASSASSINS OF PREM PARDONED

BK210226 Bangkok BANGKOK POST in English 21 Aug 84 p 5

[Text] The case on an assassination attempt against Prime Minister Prem Tinsulanon is closed as the Premier himself pardoned those involved, Crime Suppression Division Commander Pol Maj-Gen Bunchu Wangkanon said yesterday.

Supreme Commander Gen Athit Kamlang-ek had also shown 'mercy' towards the conspirators and some ex-Young Turk army officers believed to have been involved in the murder attempt, he said.

Pol Maj-Gen Bunchu's statement came in the wake of widespread rumours that the collaborators who are still at large would soon be arrested.

Four army men were implicated in the assassination attempt in Lop Buri Province on July 16, 1982.

The alleged plotter and mastermind of the murder attempt, Major Phairat Phopruksawong, who was attached to the Artillery School in Lop Buri, committed suicide in Bangkok on 26 April last year as the police closed in on him at his house in Soi Udomsuk, Phra Khanong District.

Major Phairat was reported to have participated in the coup attempt in Bangkok during April 1-3, 1981. He was then the deputy commander of the 31st Artillery Battalion of the Royal Guards.

Mst-Sgt Amonsak Indichot, who was attached to the First Cavalry Battalion of the Royal Guards, was arrested and tried for attempted murder. He was sentenced to 25 years imprisonment last year after pleading guilty.

Another suspect, Mst-Sgt Prawet Phumphuang, was spared prosecution as he became the prime state witness. The past suspect, Sgt Suphat Thongsukphong, who was attached to the 31st Artillery Battalion of the Royal Guards, was arrested last year and is reportedly under army custody.

CSO: 4200/978

RANGERS KILLED IN COMMUNIST AMBUSH

BK200330 Bangkok BANGKOK POST in English 20 Aug 84 p 1

[Text] Surat Thani--Two rangers were killed instantly in a communist ambush and four rangers who were wounded in the ambush died later when the truck taking them to hospital overturned in Ban Na San District on Saturday afternoon, police said yesterday.

Eight other rangers were also wounded in the double tragedy which occurred on the Asian Highway.

Police said 16 rangers were travelling in a truck to set up a road block on the highway when the insurgents opened fire on them at Ban Song, Tambon Phru Phri

Two rangers were killed instantly but the rest fought back for about 15 minutes before they were overrun. The insurgents took away 11 M16 assault rifles before withdrawing, a police report said.

The dead rangers were identified as Chamman Rattanaphakdi and Patiphan Niwatbut.

A passing truck belonging to the provincial agricultural office later picked up the wounded rangers and was on its way to the provincial hospital when it skidded out of control and overturned while attempting to avoid hitting a motorcycle.

Four rangers died later at the provincial hospital. They were identified as Sompong Sichuai, Sunthon Rattanaphan, Phisit Puanoi and Phonphot Supkeng.

Eight rangers, two of whom are in serious condition, are being treated at the provincial hospital.

All the rangers are from 4503d unit, attached to the Fifth Infantry Regiment.

Police said the communist ambush was the worst in two years since the government announced that it had destroyed major communist strongholds and neutralised the insurgents because of mass defections.

Meanwhile it was reported that Fourth Army Region forces on Saturday began mopping-up operations to suppress communist guerrillas believed hiding in the rugged border junction of Surat Thani, Nakhon Si Thammarat and Ranong Provinces.

BRIEFS

PREM REPORTED ILL, RESTING--Prime Minister Prem Tinsulanon was reported ill and did not show up for work at Government House this morning. His close aide said General Prem was down with influenza and doctors had advised the premier to take a full rest and cancel all official engagements, including his birthday celebrations and planned trip to the northeast. General Prem is scheduled to meet Government House reporters who will call on him at his Si Sao Thewet residence this evening to wish him good luck and happiness on his 64th birthday anniversary which falls on Sunday. It will be the first time that General Prem allows reporters to wish him at his residence. Supreme Commander and Army Commander-in-Chief Gen Athit Kamlang-ek is scheduled to lead high-ranking military officers to wish General Prem a happy birthday at 8 a.m. tomorrow. Cabinet ministers and leading politicians are also scheduled to meet General Prem tomorrow. General Prem has also planned to leave Bangkok on Thursday to visit Ubon Ratchathani, Surin, Buriram and Nakhon Ratchasima where he will hold a birthday party on Saturday night for local military officers, government officials and businessmen. [Text] [BK210951 Bangkok BANGKOK WORLD in English 21 Aug 84 p 1]

UN OFFICIAL TO VISIT--UN High Commissioner for Refugees Poul Hartling will pay a 1-week visit here next month to discuss refugees in Thailand. Foreign Ministry spokesman Sawanit Khongsiri says that Hartling will arrive in Bangkok on 4 September to consult with the Thai Government on the problem of Indochinese refugees. Mr Hartling will also visit Hanoi and Ho Chi Minh City on 7 September to discuss with Vietnamese officials the orderly departure program. He will return to Bangkok on 10 September for another 2-day stay before flying back on 12 September. According to the Foreign Ministry, another upcoming visit here will be Brunei Foreign Minister Prince Mohamed Bolkiah who will visit here from 20 to 31 August as guest of the ministry. Mr Sawanit says the Thai Government attaches great importance to the visit of the Sultanate foreign minister since it would pave a way strengthened relations between the two countries. This will be the first official visit to Thailand of the Brunei prince. [Text] [BK190731 Bangkok Domestic Service in English 0000 GMT 19 Aug 84]

INTERIOR MINISTER ON ARMS CACHE--Interior Minister General Sitthi Chirarot told newsmen at the Interior Ministry this morning about the weapons and documents found inside a hotel on Wiphawadirangsit Road in Bangkok yesterday. He said that he was quite sure that the weapons and documents were deliberately left at the hotel for authorities to find by some people who harbor ill intentions against the country and want to create a situation. He did not think that they were communist terrorists. They want to create rift and confusion as well as suspicion. [Text] [BK170713 Bangkok Domestic Service in Thai 0530 GMT 17 Aug 84]

CSO: 4207/193

MILITARY AFFAIRS AND PUBLIC SECURITY

XUAN AN REHABILITATES JUVENILE OFFENDERS

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 10, 11 Jul 84

[Article by Le Van Nuoi: "Xuan An, Road To the Souls of Juvenile Offenders"]

[10 Jul 84 p 2]

[Text] Xuan An. No one knows who gave such a gentle and warm name to this school for educating juvenile offenders.

The general feeling of those who come here for the first time like us is wonder over the magnificent conditions, fairly large size and the dazzling green color of the scenery and landscape. This is not a "surface feeling" or vain appearance to deceive the visitor. Only upon observing and meeting the thousands of robust and sun-tanned youngsters from 9 to 17 years old who were diligently studying trades in the metalworking, welding and carpentry shops, or singing and shouting in the meadow were we able to recognize in an integral manner the effectiveness which the Makarenko-style youth educators here have achieved.

On 28 June 1977, nine public security personnel from the Ministry of Interior's Training Management Detachment arrived to take over this school area, previously known as the "Long Thanh Orphans' Village" prior to 1975. They only had one truck and the rabbits temporarily living in the rows of abandoned buildings. Only after a period of 2 years were the conditions here basically formed and they chose 30 April 1979 as the date of the establishment of the school.

From Where Do the Children Come?

In order to understand their nature in detail, let us read some figures analyzing the 920 children being raised and taught here: they range in age from 9 to 17 with 1.3 percent under 11, 25 percent from 11 to 14, 69 percent from 14 to 17 and only occasionally a number over 17, accounting for 4.7 percent.

In local areas, 61 percent are from Ho Chi Minh City and the remainder are from Thuan Hai Province and the provinces to the south.

Major reasons leading them to become offenders are the lack of care and education in the old society or family breakups and discord which were damaging to their spirits and lives. Here, 27 percent are fatherless, 17.9 percent are motherless, 18.9 percent are orphans without a father or a mother, the parents of 1.5 percent have fled the country, 10.1 percent have divorced or separated

parents and only 20.6 percent of the children have both parents. The children here have committed various types of crimes: burglary, 56.2 percent; robbery, 17.3 percent; black marketeering and swindling, 15.8 percent; degeneracy, 9.2 percent; and other crimes, 1.5 percent. There is even present here a band of thieves, all about 16 years old, that robbed a young couple, tied up the husband and raped the wife before escaping; and "female generals" specialized in making money and bold robberies to obtain cash for lavish pleasures.

Because it is not easy to forget the "resounding" past or to abandon "powerful" habits, during the first days that they entered the school, many of the children continued to break the law. During the first month, 100 percent felt like escaping and sought ways to flee in order to return to their old ways. Even in relations with their companions, a number at first still had a divided nature in the "worldly" style with which they had been contaminated: some used nylon bags to pour hot water on the faces of sleeping friends or threw shovels in the faces of others while working in order to retaliate for one personal dispute or another in their collective life.

Road To Their Souls

Before us are rows of spacious living quarters, messhalls and classrooms, located in the fairly consistent and harmonious general concept of the overall school and gradually constructed during the past 5 years. The streets through the school are all shaded by rows of golden Cajuput and jackfruit trees heavy with fruit. Most beautiful of all are the flower pots and stands in front of the doors of the quarters. The pure and clean setting and atmosphere here causes them to feel a closeness and love for nature.

Each collective living quarters has about 40 children with a private clean and well-kept bed for each. At the end of each row of buildings is a television set.

State standards call for the monthly supply of 12 kilograms of rice and 240 grams of meat and the annual supply of two sets of clothing to each child. By means of self-sufficient labor plus the state standards, Xuan An has raised these levels to 15 kilograms of rice, from 800 grams to 1 kilogram of meat and 14 kilograms of vegetables each month.

To raise the living standards of the children in such a manner, Xuan An has organized the raising of an 80-head herd of cattle and 100 hogs. In farming, Xuan An experimentally raised wheat, potatoes and peanuts and finally settled on sugarcane which grows strongly in this soil. The 5 hectares in 1983 have now increased to 32. This sugarcane forest is the source of raw materials for a sugar making shop which the school's youth union has accepted as a communist youth project. During 1983 with 7 hectares of sugarcane, the shop produced 10 tons of white sugar.

Education through labor and the organization of a collective and self-managed life allowing the children to self-educate each other are two basic principles in the juvenile offender education method of outstanding Soviet educator Makarenko which we have learned through his work "Song of Education" and have applied at Xuan An.

At 1000 in the morning, we went down to a shop to visit and talk to the children engaged in trade study. It was a tailor shop with 25 sewing machines and 60 female students divided into two classes under the guidance of one female teacher. From fabric supplied by the state, the shop has been self-sufficient in cutting and sewing full sets of clothing, mosquito nets and blankets for thousands of students. The metalworking, blacksmith and welding shops with strong and healthy boys have skillfully fashioned iron beds for their friends and containers to water the plants. The most skilled student in the metalworking shop is Ly Quoc Binh, 17 years old from Tien Giang, who said, "When I first came here, I didn't know any trade but now I'm a 'fine metalworker'." "After you get out of the school, do you intend to be a metalworker?" "No, because my three brothers at home are mechanics and I would rather be a mechanic but it's also good to know metalworking!" In the carpentry shop, we met several dozen small carpenters using an electric saw to make lumber and then produce beds, tables, chairs and wine containers.

We visited the living quarters of the children making up the specialized units above. They not only meet each other at work but also live together in the same building. Each row of buildings has two units. This is the home of the Vo Thi Sau Unit with 40 girls, most of them from the western provinces. The large room with snow white walls is open with no partitions and each girl has her own bed with the mosquito net, blanket and mat neatly folded. The extra-curricular activities are regarded as important by the school board and the teachers of Xuan An because they believe these cultural or sports activities have a great influence on forming the personalities of the children. Besides a central club with a library, table tennis room and large auditorium for cultural presentations, the children have a ping pong table at the head of each row of quarters and each unit has a volley-ball team, soccer team, and table tennis team practicing and competing with each other. The school also arranges visits for students outstanding both in behavior and studies to view exhibitions of U.S.-puppet crimes in Ho Chi Minh City, camping trips and trips to the beach at Vung Tau.

When first entering Xuan An School, the cultural level of the children was extremely low: 35.2 percent were illiterate, 40.3 percent had only attended the first to the fourth grade, 20.1 percent the fifth to the ninth grade and only .4 percent the 10th to the 12th grade. Because a majority had given up studying long ago and had formed habits over many years of not using their brains, they were extremely unwilling to study or to sit quietly for hours in class. Therefore, when they first entered the school, after a physical examination and receipt of school supplies, the first job was to train them to become familiar with quietly standing in ranks or sitting in class before beginning alternating sessions of study and work. The cultural education of the children here is carried out like a primary level general school with the curriculum and examinations under the direct management of the Long Thanh District Education Bureau and the Dong Nai Province Education Service. The teachers are public security soldiers who have attended teachers colleges and high-level teachers schools. Besides the cultural curriculum like on the outside, the school also has two ethical and technical classes. Although the classes are Level I, the children are no longer small like students on the outside and are therefore not taught such things as "child obedience" but such matters as the laws of the socialist

state; life and work in accordance with the law and the legal system; and the school traditions. In technology, the children receive theoretical study in industrial and agricultural trades for practice in the shops, fields and gardens.

The second Makarenko principle of education, specifically applied, observed and extremely developed at Xuan An, is that of collective self-management. Each unit has a command section composed of a unit leader and two assistant leaders, all students elected by the others for a term of 1 year. The unit leaders hold Student Unit Chief Council meetings to join the school board in organizing the activities of the entire school and have the right to present their opinions on student awards and punishments. Each unit has a director teacher, the individual providing direct night and day guidance to and determining the quality of the team. Therefore, the children are organized annually to cast secret ballots expressing confidence or no confidence in the director teacher for examination by the school board. A number of the older good students form a self-management unit with a guard watch and protection mission and with their "skilled eyes," the self-managers have greatly reduced or halted the plots and attempted escapes of new students. Their principle is that the units and unit leader council must discover every loss in order to strive for education before the collective. Each unit holds collective activities from 1800 to 1830 each day and anything adverse occurring during the labor and school day is resolved in the unit. Forms of self-criticism and collective criticism have an effect of arousing among the students a feeling of self-respect and a desire to respect their own honor and dignity.

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Final Results

The final and principle question asked Xuan An by those concerned with the effectiveness of juvenile offender education is, after 2 years of education, what kind of person is Xuan An returning to their families and to society?

Only when talking to them one by one, listening to them babble about their family environments and adventures, and watching them flying about on the ball field or performing on the stage with various types of musical instruments is one truly moved. Since 1977, Xuan An has graduated 1,300 students. Usually in the summer of each year, the teachers scatter out over the local areas to review the lives of the graduates. Of 600 reviewed, 6.4 percent had entered the army, 4.4 percent were state workers, 2.3 percent were continuing their education, 14.9 percent were engaged in private trades and 8.9 percent were repeat offenders. Their return to a normal life is not smooth; the seduction of corrupt practices is still great in a society in the process of transformation, the prejudice regarding their past and still many difficulties entering the household registration and requesting a job all create the conditions for a "horse returning to the old road."

When many of the 16 and 17 year old students graduate, they request to remain as workers in the production facilities of the school. Due to overcrowding however, the school can only accept a number with special circumstances such as

orphans with neither a father nor mother and those with no one to depend upon. A long term practice of the school has been to contract with work sites and state farms in transferring students of labor age to become workers in order for them to have a livelihood and to create conditions for better efforts.

First of all, the school contracted with the Le Minh Xuan State Farm to accept a number of the students. They have also been present on the battle line to protect the fatherland. Bui Dinh Phuoc, a student who graduated in 1978 and joined the army in October 1979, is now a soldier in the 477th division. An advanced student who graduated from the school in 1978, Nguyen Van Phuoc also entered the army and bravely sacrificed his life while carrying out his international mission in Kampuchea. Some have also become officers and communist party members. Occasionally a married couple, both former students, and their small children will come up to visit their old school and the teachers who helped them become adults.

From these intelligent faces and skilled hands will surely come abilities for the future.

Factors of Success

This success is confirmed by the "Determined-to-Win Unit" title awarded for 4 consecutive years from 1980 to 1983 by the Ministry of Interior. The school also received the Military Exploit Order, Third Class in an acceptance ceremony on 30 April 1984.

The ranks of cadres and teachers in the school at the present time consist of 150 people, all public security personnel with 36 party members and 135 Communist Youth Union members. Twelve are graduates of Teachers College, eight graduated from advanced normal schools and 65 percent have educational levels above the 10th grade.

What factors are involved in the success that Xuan An has had in becoming a leading banner in the education of juvenile offenders at a time in which many other schools are still striving with results which are not high?

Material facilities are an important condition in educating the children but of greatest importance are the ranks of cadres and teachers, rich with love and responsibility, who dynamically and constantly delve deeply into the thoughts and renew their methods of entering the souls of the children, souls which are somewhat bruised and suspicious. It is this very dynamism that has served as the broad foundation of Xuan An. The school had no production expenditures and borrowed capital to organize production, gradually accumulating funds in order to expand the material facilities.

The second basic factor and also the new thing of Xuan An compared with other locations is the effective and specific establishment and development of the collective ownership rights of the students, expressing confidence and respect in their character and assisting them to mature in many aspects. Contending with the many various complex individualities of the students such as rebellion, untruthfulness, cruelty, etc. demands great patience from the teacher.

One working principle of the Xuan An teachers is that they are not permitted to strike the children. In 1982, the school board announced that the school had dismissed a few teachers for slapping students.

How to give the teachers peace of mind in steadfastly working for long periods of time in this area is a realistic problem in the ideological work of the party, youth union and school board here, especially since 100 percent of the cadres and teachers are from the provinces of northern Vietnam who have been assigned to the school by the Ministry of Interior. Xuan An has solved this difficult problem not by empty ideological motivation but by specific and persuasive policies and methods: each cadre and teacher, when starting a family and settling here, is given an apartment of 28 square meters and the minimum amenities for a family: a bed, table and chairs, electric fan and 12 sao of land for a family sideline business. There are now 30 "satisfied and contented couples," including 20 who were married at the school. The teacher family area here is very spacious with even a separate child care center.

As a mechanism for breaking into production, Xuan An made several production proposals for approval by the Ministry and borrowed capital for repayment within a fixed period of time. The profits made became the common property of the school. The school was defined as an anticipated level III unit. The primary investment course of Xuan An was in machinery and industrial tools for expanding the vocational guidance aimed at assisting a majority of the students to have a trade upon graduation.

There is presently an industrial-agricultural general school system reserved for the education of juvenile offenders in a number of provinces: Vinh Phu, Haiphong and Quang Nam-Da Nang. The provinces of southern Vietnam have Bo La and Xuan An and Ho Chi Minh City has three schools in Bo Vap and Binh Chanh, subordinate to the War Invalids and Social Welfare Service.

How can the example of Xuan An be multiplied? This is a question of those concerned with the education of juvenile offenders because the capacity of Xuan An is limited: the authorities at Xuan An have indicated that they have still been unable to adequately answer the requirements of the provinces. At one time, Ho Chi Minh City proposed 500 but Xuan An could only accept 50; and Dong Nai Province suggested 300 but Xuan An could only accept 30.

Naturally, "preventing is better than curing" and strengthening the education of children in the school and the family in order for them to become upright individuals is fundamental. However, reality still demands many Xuan Ans and the basic conditions require ranks of enthusiastic cadres and teachers who have educational methods and viewpoints concerning juvenile offenders along with the concern for investing in material facilities and the policies and systems of the authorities.

The propagandization and motivation of all society and especially the families to participate in the children's education is also a problem to be brought up, especially as it regards those with neither a father nor mother. Of special concern are the attitudes and responsibilities of the local areas, agencies and enterprises toward those who have changed for the better after "graduation," not being prejudiced concerning their past but making every effort to create the conditions necessary for them to develop normally like other children.

MILITARY AFFAIRS AND PUBLIC SECURITY

AIR DEFENSE COMMANDER OUTLINES CAMPAIGN STRATEGIES

Hanoi TAP CHI QUAN DOI NHAN DAN in Vietnamese Jun 84 pp 38-47, 70

[Article by Major General Hoang Van Khanh: "On Air Defense Campaigns and Campaign Strategies"]

[Text] The air defense campaign first appeared in World War II (1939-1945). Its premise was the strong development of air defense and aerial attack weapons and equipment, especially that of aircraft, missiles, radar and highly reliable means of air defense command. Thanks to these, it was possible on the offensive side to mount campaign-scale air attacks on important economic, political and military targets and target areas deep within the rear area of the opponent's country. At the same time, the defensive side had to and was able to organize air defense on a large scale mobilized over a wide area of the sky in accordance with a unified plan and under concentrated command in order to defeat the enemy's air attack campaign and to firmly protect the important target areas of the country and troop concentrations. Such an air defense operations form exceeds the scope of tactics and becomes a form of campaign operations.

When the Soviet Union struck back at the concentrated attacks by the German fascist air force on targets in Moscow during the summer and fall of 1941, it used from the very first stage up to 600 fighter aircraft, more than 1,000 air defense weapons of all calibers, nearly 350 air defense machine guns, more than 600 spotlights, 124 aerial obstruction points and 615 air defense observation, communications and alert stations. By the final stage, these means of air defense had been doubled in number and the depth of the air defense system reached from 200 to 250 kilometers with the capability of protecting not only the total Moscow industrial system but during the beginning of the Moscow campaign also protecting the formations of campaign corps [binh doan] located there. Air defense campaign theory and strategy with its nature as an important and integral part of Soviet campaign theory and strategy has and is increasingly developing and improving consistent with the development of military technology and military strategies in modern warfare.

In Vietnam, in the war of resistance against the French colonialists, the air defense operations of our army and people were basically only at the tactical level. In the war of resistance against America for national salvation, our army and people had to wage a ground-to-air war unprecedented in history against the U.S. Air Force--the trump card of the modern armed forces of the United States. After 1967, strengthened with the use of modern aerial forces in their war of aggression, the American imperialists continuously launched many

large scale air attacks against the important targets and areas of the northern part of our country aimed at achieving objectives of both a tactical and a strategic significance. A typical example are the raids against Hanoi and Haiphong during the period from May to November of 1967 and during the final days of December in 1972. In the strategic air attacks of the United States on the northern part of our country--primarily against Hanoi and Haiphong--from 18 to 29 December 1972, the Americans used up to 729 B-52 sorties and 2,123 tactical aircraft sorties along with the most modern technical equipment such as laser bombs, electronic war equipment, F-111 aircraft, etc. On our side, with a rapid growth in the table of organization and technical equipment of the air defense and air force troops and the broad and dense network of firepower of the main force, local force, militia and self-defense troops, our army and people conducted constant and continuous operations in their positions to smash the enemy's air attacks. Along with the ground-to-air battles and the aerial combat of the air defense and air force masses, there were also many phases of relatively large and large-scale activity, coordinated operations between the antiaircraft and missile forces of the air defense troops with the fighter aircraft of the air force and the air defense units of the army, navy and militia and self-defense forces to strike at and shoot down enemy aircraft attacking us over broad stretches of the sky. All of these forces operated in accordance with a unified intention under a centralized command with the purpose of concentrating efforts on primary directions and areas, defeating the air attacks of the enemy and protecting the important targets and target complexes of the country. Such operational phases gradually exceeded the scope of a tactical category and increasingly expressed the factors of an air defense campaign. It was also from this that the general concept of our air defense campaign and air defense campaign strategies appeared and developed.

An air defense campaign is a total concept of air defense battles, including large and decisive battles and other combat activities which occur simultaneously or successively within an air space during a fixed period of time and closely connected with each other in a common objective; with the air defense masses playing a key role with close coordination between the air force and air defense troops of the military regions, corps [quan doan], navy and local self-defense and militia forces; and conducted in accordance with a unified intention and plan under a centralized command with the purpose of annihilating a primary part of the enemy's air forces and attack means, protecting the important targets and target areas of the nation and the primary military complexes and creating favorable conditions for achieving superiority in the air and during important periods of time, defeating the enemy's air attack campaign and completing the assigned strategic mission. Within the same time period, there can be many air defense campaigns being waged in many different directions and locations under the overall command of the National Air Defense Commander. An air defense campaign can be carried out independently or in coordination with the campaigns of other branches.

In order to smash the enemy's air attacks and firmly protect the assigned targets in the war to protect the fatherland, our armed forces and especially the air defense troops must constantly maintain a high state of combat readiness; actively and promptly organizing counterattacks against the air strikes and successfully carrying out the air defense campaigns, especially the first air

defense campaign of the first period of the war. On the other hand, they must organize and successfully conduct constant tactical activities on a scale which is not large but occurring continuously and with an extremely important effect aimed at creating strength for the air defense campaigns in the war process.

An air defense campaign in the war to protect the fatherland has several characteristics:

- An extremely firm objective.

- Complex, tense and continuous changes; and an irregularly and rapidly changing situation demanding that the combat actions of the air defense troops be extremely urgent, constantly combat ready, and continuously and actively striving to resist surprise and to promptly win the initiative in counter-attacking the enemy's air strikes.

- To strike the enemy over locations which we control, closely coordinating the different campaign forms of the various branches and services within the defensive dispositions of the people's war to protect the fatherland which are prepared beforehand and increasingly perfected.

- To utilize large and many types of forces and modern technical means for operations over a broad area of the sky during a short period of time with extremely high and extremely rich forms and methods of joint action with extremely complex joint action organized and maintained.

- Great losses and consumption of technical materials. Organization and assurance of the campaign consists of many rich and complex subjects.

The theory of air defense and air defense campaigns is presently continuing to be developed under conditions in which the scientific and technical revolution is strongly developing in the world and deeply penetrating the military field. Modern air attack means have been perfected. Large weapons of destruction have been issued to the air attack forces of the armies in many capitalist nations. Aircraft carrying nuclear weapons have great potential for target destruction. It is only necessary for one plane carrying a nuclear weapon to slip through in order to cause great losses. Therefore, the requirements of air defense are extremely high. Air defense must have the ability to destroy the attacking air forces before they have time to strike the targets which we must protect or must cause them such losses that they are forced to abandon their combat mission. This also means that air defense must be strong and dependable to the highest degree. Combat against the new means of aerial attack, especially the trajectory and winged as well as the air-to-ground missiles, poses for air defense campaign theory a series of complex problems. The problems of reconnoitering, spotting and announcing the enemy as well as deciding and organizing to counterattack the enemy must be calculated each minute, second and even each small part of a second. The use of firepower to create casualties and electronic means to jam modern air defense equipment has become one of the most important missions of the attacking air force. Also from this, protecting the lives and effectiveness of the air defense troops has become a major problem in air defense campaign theory.

Offensive positiveness is the most important characteristic in the combat activities of air defense troops in air defense campaigns, first of all that of the fighter air force. The bounding developments in aerial assault and air defense weapons and means establish great capabilities for the air attacker to swiftly destroy selected targets from a distance, including targets in the air defense system, in order to accomplish campaign and strategic objectives without entering the threat area of the opponent's air defense system. At the same time, they also establish the mission and great capabilities for the air defender to actively, promptly and rapidly resist and defeat the air attacks of the enemy before they are able to complete their mission, before they cross the national border and even farther away in order to firmly protect the assigned targets by the application of active air defense methods of an offensive and counterattack nature such as: using air or ground forces in surprise attacks deep within the rear area to destroy the equipment, weapons and home bases of the enemy air force; and promptly using concentrations of the fighter air force and air defense missiles, artillery and machine guns to destroy the attacking forces and equipment of the enemy air force at the longest range possible before they have reached the border of the fatherland and before they have time to carry out their combat mission. At the present time, many countries have established the requirement for an "unsurpassable air defense," primarily relying on the capabilities permitted by the use of offensive means and the application of offensive and counteroffensive operational methods in the air defense campaign. This is also a new feature in motivating and developing the nature of the air defense campaign. It may also be considered an example of the mutual relationship affecting and violating each other between attack and defense in the process of carrying out the campaign and strategic operational forms in modern warfare controlled by the strong development in military technology and strategies.

Nevertheless, attention must also be given to another characteristic of air defense activities, their dependence on the air attack activities of the enemy. Even though the forces have been deployed, dispositions have been arranged and every aspect has been prepared beforehand, if negligent or suffering a loss of vigilance for an instant, it is possible to become passive and be surprised by the enemy's air attacks. This is a characteristic requiring a profound understanding in order to seek every method to struggle against, overcome and resist surprise and passivity while constantly seeking methods of winning and maintaining the initiative, promptly and resolutely using offensive and counteroffensive methods in coordination with other combat methods to strengthen the stability and firmness of the air defense system, to firmly protect the assigned targets and to complete the objectives and missions of the air defense campaign.

To successfully wage an air defense campaign, many problems must be studied and resolved. Below are presented a few of the primary problems:

1. Campaign preparations.

Air defense campaign preparations must be carried out early, from the days before the war begins and throughout the war process, relying on preparation and organization of a countrywide air defense system and the overall disposition of

a people's war to protect the fatherland. They must be constantly supplemented and perfected consistent with the specific conditions of the political and military situation between ourselves and the enemy and must be basically completed before the enemy conducts an air attack campaign. The achievement process may be divided into two periods: prior preparations and direct preparations. The direct preparations are those from the time the orders are received to organize an air defense campaign until the enemy begins air attacks.

In the preparations, it is necessary to seek an understanding of the mission, to evaluate the situation of the enemy and ourselves, win the determination and assign the mission to all units, formulate the campaign plan and organize command, coordination and all aspects of assuring and handling the troops in preparing every aspect of readiness to begin the campaign. Of greatest importance is the definition of accurate determination. On the basis of accurate determination, formulation of an accurate campaign plan is possible.

The many operational situations of the enemy in the air must be totally evaluated and predicted. On that basis, it is necessary to define the most rational formulas for using all the widespread air defense forces while simultaneously assuring the best organization of major battles with firm coordination between all forces.

Formulation of an operations plan for the air defense troops is not only for the first counterattack period but for the entire campaign, namely a few and many strikes by the enemy. Therefore, to formulate a plan for countering the second strike and the strikes to follow, it is necessary to predict the combat damages and results of our forces after each enemy air strike, and their capabilities and stratagems in the strikes to follow.

Prior and direct preparation are closely related to each other. The period of prior preparation is also the period of preparation for preconceived possible campaigns, especially for campaigns during the first period of a war. The better the prior preparation is, the more favorable are the conditions created for direct preparation. Direct preparation relies on the results of prior preparation and the specific requirements of the situation and mission to readjust, supplement and perfect the campaign preparations. Nevertheless, it is not that there are no circumstances which must be handled from the first in nearly a total manner. In this case, procedures must be resolute, urgent and thorough to take advantage of the results of the previous period of preparation in order to promptly answer the requirements of the campaign.

2. Organization of the air defense system and construction of the air defense campaign formation.

The air defense system of the air defense campaign is an extremely important part of the overall air defense system of the entire nation. It is the organization, preparation and arrangement of air defense forces and means in accordance with a unified intention and plan to form a system of forces, firepower system, fighter air force protection system, reconnaissance system, warning alert system, command system, systems to assure projects, rear services, technology, combat watches, people's air defense, etc. Of these systems, those

concerning forces, firepower, reconnaissance and warning alert are problems requiring special concern. The air defense campaign air defense system relies on the air defense system of the entire nation which has been constructed and regularly operated since peacetime, and on that basis is supplemented and perfected before war begins, especially during the direct preparation period of the campaign.

In order to assure high, firm and effective combat readiness requirements of the air defense system, besides the problems of organizing and arranging forces and equipment in a rational means precisely in accordance with principle and creating a favorable position, it is also necessary to organize and maintain forces and equipment in constant combat readiness and to organize strict combat watches to continuously reconnoiter, promptly spot and announce the enemy situation in the air, shifting units into combat at the correct time and location in order to promptly counterattack, to strike continuously under all conditions and to smash the enemy's air strike campaign. We must regularly strengthen the system of assuring all aspects in accordance with campaign requirements, accumulate additional reserve forces, train unceasingly to raise the standards of the troops in every aspect, and assure sufficient capabilities and standards to complete the combat missions in the air defense campaign.

The campaign formation of the air defense campaign must express coordination, strength, secrecy, active mobility and increased capability to strike the enemy with great effectiveness and efficiency under every condition. In order to accomplish this, organization must be firm and relatively stable with a centralized and concentrated command; and deployment must be widespread but concentrated on important directions and areas and on decisive major battles, form many lines, have depth, assure widespread mobility and continuously maintain the combat strength of the forces and equipment.

The air defense campaign formation is usually comprised of corps [binh doan] and force [binh doi]-size air defense troop complexes of the air defense masses and of military regions and corps [quan doan]; the fighter air force corps [binh doan] and forces [binh doi] of the air force masses; the air defense radar forces; the reserve air defense forces; the air defense network of local areas and primary level units; and the specialized units, stations and warehouses. The formation is constructed in many lines. Line one must strike the enemy from the most extreme range, inflicting heavy losses and disrupting the attack formation, and create conditions for lines two, three, etc. to continuously defeat the impetuous attacks of the enemy air force on the inner circle.

An extremely important problem in air defense organization is the organization of coordination between elements, forces, combat lines and air defense systems. This coordination must be in accordance with the common objectives and missions of the entire campaign, coordinating each counterattack (battle) against the enemy air force; in accordance with the operational plans of the campaign; in accordance with the common strike methods of the campaign; and in accordance with the best characteristics and capabilities of each element and each force. Actual combat by the Soviet Red Army indicated that skillful organization of coordination between the air defense forces in conjunction with unified and sure command, timely movement of the fighter air force, rapid transfer to directions being threatened and reinforcement of forces from the inside out in

order to strike the enemy aircraft decided the combat results attained by the air defense troops in the protection of Moscow and Leningrad. From 22 July to December 1941, the enemy mounted 122 air strikes against Moscow with the participation of more than 8,000 aircraft sorties but only 229 sorties (or about 2.8 percent) made it through to the city.

3. The use of air defense operational methods.

Proper definition and effective achievement organization of campaign operational methods is of great significance, dictating all activities by the forces participating in the campaign. The definition of campaign operational methods must have a firm grasp of the objective and intention of the campaign, every aspect of the situation, the comparative strengths of the enemy and our forces and the terrain characteristics; and must have a grasp of the basic principles of campaign organization and practice, creatively applying the combat experience of our troops and that of our brother soldiers as well as other countries to the specific conditions of each campaign.

Air defense campaign operational methods must develop the strength of all forces, establish a favorable position, destroy the enemy's position and concentrate forces one after another to blunt every direction, strike and phase of the enemy air force's impetuous attacks, firmly protecting assigned important areas and targets. Under the present circumstances and conditions of the country, our air defense campaigns can rely on previously prepared beneficial campaign dispositions to achieve harmonious coordination between the combat forms directly protecting targets with those engaged in mobile combat as well as coordinating the tactical forms of blocking positions, mobility around blocking positions and mobility in support of the air defense troops; the forms of blocking attacks by the fighter air force; and the attacks on the enemy's air force by forces in the air and on the ground. Concentrated and joint attacks by the various branches and services must be coordinated, avoiding small, scattered, independent and widely separated attacks by each force and service. Attacks on the enemy with heavy weapons must be coordinated with organization of "radio and electronic measures," camouflage, deception, dispersion, etc. Forces and equipment must be rationally used in turn or all at the same time to counterattack the enemy air forces from a distance to close proximity, continuously striking their flight routes throughout the depth of the campaign in all altitudes and directions. Firm campaign as well as tactical coordination must be maintained in order to concentrate efforts on primary directions and areas as well as on large decisive battles aimed precisely at the primary objectives within each point in time of successively defeating the attack phases and the strikes of the enemy air force with progress toward defeating the entire attack campaign of their air force.

The most important measure in air defense campaign operational methods is the need to continuously follow and firmly grasp the plots, stratagems and action changes of the enemy air forces in all areas related to the campaign position; and firmly grasp the force and equipment situation and capabilities of the campaign in order to promptly organize their introduction into combat at the proper moment and in the proper location with the greatest effectiveness in air defense.

4. Organization of assurance aspects in the campaign.

Assurance aspects in an air defense campaign consist of: assuring reconnaissance, radio and electronic countermeasures, projects, camouflage, deception, mass destruction and chemical weapons countermeasures, map surveys, meteorology and hydrology, technology and rear services. Each assurance aspect has its own separate and indispensable position.

The foremost problem is to assure reconnaissance, discovery and warning of the enemy in the air. The sky must be firmly managed with prompt and accurate discovery of the plots, stratagems, preparation symptoms, air strike times, force elements and activity methods of the enemy. Accurate and timely delivery of communiques on the enemy situation to those concerned creates a basis for the commanders at all levels and the troops to operate swiftly and effectively in completing their mission in the campaign. Even during peacetime, it is necessary to establish a campaign reconnaissance and warning system within the overall air defense reconnaissance and warning system of the entire nation. The construction of a dense radar screen, concentration of efforts on the primary directions from which the enemy air force would probably attack, application of active methods such as increasing the amount of good and highly effective work equipment, occupation of favorable terrain, construction of many reserve and secret emplacements, creation of necessary reserves in equipment, means, etc. are aimed at assuring high combat effectiveness and maintaining continuous combat strength under any conditions. Naturally, there must be close coordination with other forces, means and reconnaissance systems such as radio reconnaissance, visual observation and other reliable sources of information from higher authorities, nearby units and the primary level units. Parallel with organization of a unified and firm reconnaissance system, it is necessary to establish and firmly and continuously maintain systems and regulations on combat watches, the collection, compilation and dissemination of information on the enemy air force, air defense alerts and assuring the requirements of the campaign forces. Attention must be given to assuring the requirements of all the local, militia and self-defense air defense forces within the area of the air defense campaign and the people's air defense alert.

Technology assurance is aimed at fully, promptly and uniformly preparing and supplying the various types of technical weapons, equipment, missiles, ammunition, means, motor vehicles and materials. Their management, use, maintenance and readiness to answer the needs of the campaign must be organized. Efforts must be concentrated on assuring the requirements for ammunition and missiles and assuring maintenance to achieve a constant and continuous combat readiness condition for the various types of technical equipment in order to be ready for immediate combat with high combat efficiency and to swiftly restore and supplement damaged and faulty equipment, especially in the primary operational directions and areas of the campaign. We must inspect, carefully study and firmly grasp the situation, mission, requirements and capabilities for technical assurance in order to formulate technical assurance plans consistent with campaign determinations and the successful achievement of those plans must be organized. We must truly begin from the days of peace and continue readjustment and supplementation throughout the campaign process. We must know how to organize, deploy and rationally use the specialized organization, forces and

means and the technical warehouses, stations and shops of the campaign in skillful coordination with a system of organizing and assuring the technology of upper echelons, agencies, nearby units and state facilities in order to form a system of total and firm assurance over the entire campaign position.

The radio and electronic struggle is an extremely crucial problem in air defense operations today. The attacking air force may use many types of electronic equipment, jamming means, specialized jamming aircraft and many other types of jammers to disrupt and blindfold the reconnaissance and communications systems of the defender. The fighting in Vietnam clearly proved that the enemy is extremely crafty in this stratagem; they considered it one of their trump cards in resisting our air defense forces. Therefore, to gain the initiative in the air defense campaign, we must seek to understand and anticipate the capabilities and use of their electronic warfare means and methods; preparing in organization, technology, tactics and equipment to defeat the enemy in the radio and electronic struggle.

5. Unified, concentrated command.

In an air defense campaign are many forces and means mobilized to participate in combat with many different relationships: directly subordinate, attached, in coordination with, in support, etc. The campaign is conducted over a broad area during a short time in a rapidly changing situation. Therefore, command automation is an objective demand of modern air defense campaigns. Unified and concentrated command is extremely essential for directing all the capabilities and efforts of all elements, forces and systems in the air defense system in smashing the air attack campaign of the opponent. Unified and concentrated command is achieved from a highest level command post with total authority over every activity of preparation and operations and with the coordination of every force under its authority aimed at developing the strength to achieve the air defense campaign objective.

Unified and concentrated command demands that the various campaign levels have a central command post, a reserve command post and a rear area command post; and when necessary, a forward area command post can be established. At each type of command post must be officers, personnel and synchronized equipment consistent with the requirements of its particular mission. Command is exercised over all the forces, from the air force and air defense forces of the Ministry to the air defense forces of military regions, corps, the navy, local troops, militia and self-defense forces participating in the air defense campaign. Gradually, the command of main force air defense forces must be automated. Right from peacetime, concern must be given to establishing a strong and stable air defense command agency system at all strategic and campaign levels; with regular training in staff and command skills and in the formulation of documents and plans. Coordinated training must be organized between the staff agency detachments and the campaign agencies of the air force and the field air defense staffs (military region, corps and navy air defense) in order to raise staff standards in preparing and implementing the air defense campaign. Training must be conducted to raise the organizational, disciplinary and resolute, creative, urgent and energetic operational characteristics of the command and staff officers in order to effectively achieve a unified and concentrated command in the air defense campaign.

The greatest effect of a unified and concentrated command in an air defense campaign is in the timely concentration of campaign efforts to effectively counter the impetuous air strikes of the enemy air force on the air defense system and the important targets which the campaign must protect, especially the initial strikes and attacks and those of decisive significance. We naturally cannot neglect organization to defeat the reconnaissance activities and small-scale attacks intermixed among the major strikes and attacks of the enemy air force. We must promptly, correctly and creatively handle various situations during the campaign process such as: enemy surprise attacks, the enemy's use of high casualty producing weapons, a destroyed air defense system which requires restoration, enemy changes in the direction and stratagems of activity, etc. Firm command must also be emphasized when we conclude an air defense campaign in order to shift to regular air defense combat activities or air defense operations in the coordinated branch and service campaign formations of combined troops.

Command must be responsive and timely in pointing out the primary direction, area and operations objective and the locations requiring concentrated effort to blunt each attack phase and strike of the enemy air force, from this promptly applying every method, especially achieving widespread air defense force, equipment and firepower mobility and promptly using campaign reserve forces to strengthen efforts in the important directions and areas to create the necessary superiority to smash the impetuous attacks of the enemy air force.

While executing the campaign, when the situation is undergoing complex changes, the basic problem of air defense command is to continuously follow and firmly grasp every aspect of the situation, to analyze and evaluate the situation in the air, and to rapidly make determinations and select the most superior of the preconceived operations plans in order to strike the enemy. If the actual situation has characteristics totally different from the selected plans, it is necessary to resolutely and promptly study and supplement the resolutions and readjust the operations plan. If the actual circumstances differ greatly from those anticipated, it is necessary to resolutely redefine the determinations, swiftly assign supplementary missions to concerned units and direct the campaign forces in combat consistent with the actual changing situation in order to victoriously complete the air defense campaign.

7300

CSO: 4209/394

ECONOMIC PLANNING, TRADE AND FINANCE

LONG AN PROVINCE REPORTS ON ECONOMIC GROWTH

Hanoi NHAN DAN in Vietnamese 10 Jul 84 pp 3, 4

[Article by Le Van Kien, secretary of the Long An Provincial Party Committee: "Developing the Potentials That Lie in Labor and Arable Land and Gradually Developing the Economy in a Comprehensive and Stable Manner"]

[Text] As a province that lies within the Mekong River Delta, Long An has much economic potential. This potential lies in the province's 400,000 laborers; in a corps of scientific-technical cadres numbering more than 10,000 persons that has been formed during recent years; in an area of wilderness measuring slightly less than 200,000 hectares in the Dong Thap Muoi region, the untapped potentials of which can be used to develop the production of many types of crops and species of livestock; in a high yield rice growing area measuring more than 30,000 hectares that can be used to raise two rather high yield rice crops per year; and in land that can be developed into rather large-scale areas specializing in the production of annual and perennial industrial crops. The province also has rather diverse potentials in its forestry and fishing.

However, there are also very many difficulties. In past years, unlike many neighboring provinces, Long An's land hardly ever received the benefits of the fresh water and alluvial deposits of the Mekong's flow. Of the nearly 440,000 hectares of natural arable land, more than 70 percent is polluted with sulfates and 10 percent is polluted with salt. During the months of the dry season, the entire province encounters difficulties with water sources; during the months of the rainy season, flooding occurs in the province's northern area.

The population is unevenly distributed. The northern portion of the province is sparsely populated (an average of 53 persons per square kilometer). The southern portion is densely populated (535 persons per square kilometer).

Carrying out the transformation of agriculture, redistributing labor and the population within the province, coordinating labor with arable land in an efficient and harmonious manner and utilizing each in the most effective manner possible in order to bring prosperity to the province, improve the

material and cultural lives of the people and contribute as much as possible to the state are the strategic socio-economic objectives of the province.

During the past several years, under the light of the resolution of the 5th Party Congress and the resolutions of the various party plenums, the party organization and people of Long An, displaying a high spirit of self-reliance and making every effort to overcome each difficulty and obstacle and develop the potentials that lie in the labor and arable land of the province, have recorded encouraging initial results and laid a base filled with promise for subsequent stages.

On the agricultural front, production has developed in a rather comprehensive manner, gradually been put under planning and plans and organized in the form of high yield rice growing areas and areas specializing in the production of sugarcane, soybeans, pineapples, manioc, jute, cajuput, arjun, rushes and so forth. The province has provided specific guidance regarding planting seasons; attached importance to the application of scientific-technical measures in production and the use of new varieties, fertilizer and pesticides; provided sources of fresh water in a number of areas in the Dong Thap Muoi region, thereby enabling the production of two short-term, high yield rice crops, one before and one after the flood season, in place of one low yield, floating rice crop; blocked the flow of salt water and retained fresh water in the coastal areas of Can Giuoc and Can Duoc and upgraded thousands of hectares of one crop rice fields to two crop fields. On the other hand, Long An has given attention to organizing and closely managing the various services that support agricultural production, such as supplying materials in advance and providing crop and livestock insurance through a network that extends to each production installation. As a result, the amount of area under the cultivation of grain and grain output have increased with each passing year. In 1976, the province had 204,609 hectares under cultivation and produced a total output of 428,028 tons. In 1983, the amount of area under cultivation was increased to 224,353 hectares and a total output of more than 510,000 tons was produced. That was the first time that Long An Province exceeded the threshold of 1 million tons of grain; per capita grain output exceeded one-half ton.

Livestock production has been developed, although not yet in a manner commensurate with the development of crop production. In 1983, the buffalo herd increased by 8.1 percent and the cattle herd by 14.9 percent compared to 1982. The number of poultry being raised has risen with each year; the development of the duck flock is projected to reach 3 million ducks this year.

Along with developing production, Long An has attached importance to carrying out the transformation of production relations. The province has virtually completed the abolition of exploitation through cropland. The province has redistributed 21,777 hectares to more than 36,616 farm families that had no cropland or lacked cropland. Thousands of laborers from the districts in the southern portion of the province have voluntarily gone to build the economy within the northern districts of the province, where they have taken over and cleared thousands of hectares of land in order to develop production. As of the end of the 1st quarter of 1984, the province had 1,167 production collectives and 8 agricultural cooperatives.

Closely linked to the agricultural cooperativization movement, the system of marketing cooperatives and credit cooperatives has been established and gradually expanded its support and business network. Today, 145 of the 147 villages and subwards have marketing cooperatives and there are 62 credit cooperatives within the province. Many members of the production collectives and agricultural cooperatives have joined the marketing cooperatives and credit cooperatives, thereby closely linking production and the control of sources of goods through procurements, creating sources of capital for use in the development of production, strengthening the relationship between farmers and the state and contributing to the struggle to stabilize the market in the countryside and curb exploitation through high interest loans and the sale of rice crops before they reach maturity.

Although difficulties have been encountered with supplies, raw materials and spare parts, industrial, small industry and handicraft production has developed quite well as a result of the initial steps that have been taken to reorganize production and remove a number of bottlenecks. In 1983, the total output of the industrial sector reached 70 million dong, a 38 percent increase compared to 1982. The machine repair industry and the processing industry have oriented their operations toward supporting agricultural production. The production of hand farm implements, the repair of motor vehicles, the production of cloth, mats, woven mattresses and so forth have increased, the production of many handicraft and art products made from local raw materials for domestic consumption and exportation is becoming increasingly stable.

Capital construction, communications, water conservancy, electric power production, the post-telegraph sector and so forth have developed, thereby creating favorable conditions for stepping up agricultural and industrial production. Provincial highway 49, which links Tan An City to the districts of Tan Thanh, Moc Hoa and Vinh Hung, was quickly completed, thereby facilitating the redistribution of labor and part of the population and enabling forces to be sent to clear areas in Dong Thap Muoi. Scores of irrigation and drainage canals and ditches and several projects to impeded the flow of salt water have been constructed. Steps have been initiated to bring fresh water and alluvial deposits from the Mekong River to the fields in the northern portion of the province and practice intensive cultivation and multicropping in the southern coastal areas.

In 1983, tens of thousands of laborers within the province contributed nearly 2 million mandays to dig and spread more than 2 million cubic meters of dirt to complete the canal and ditch systems and embankments within a number of areas in Tan Thanh District, as a result of which thousands of hectares of undeveloped land have been turned into cropland and fields once used to raise a low yield crop of floating rice have been turned into fields used to raise two stable crops of high yield rice. Tens of thousands of laborers worked in an urgent fashion to construct the Ba Sa-Lang Vin water conservancy system in Duc Hoa District in order to provide irrigation water for thousands of hectares of soybeans.

While attaching importance to the development of production, Long An has given special attention to distribution and circulation with a view toward controlling the flow of goods, controlling the flow of money, supplying the

necessary goods to wage earners, supplying materials and essential goods directly to producers and consumers, combating speculation and arbitrary price increases, developing socialist commerce, becoming the masters of the market and so forth. The distribution and circulation activities of Long An have had an increasingly positive impact upon the production and daily lives of the people. More and more primary agricultural products have been mobilized for the state and contributions made to the central level under obligations have constantly increased. Both exports and imports have exceeded plans. The socialist commerce network has been developed, the variety of products in which it is doing business has been expanded and many advances have been made in market management. The state has taken the initiative in maintaining the prices of several essential goods on the market. Wage earners are receiving all the products due them under ration standards.

In cultural, educational, public health and physical culture-sport activities, in the building of the new countryside and so forth, advances have been made and many encouraging achievements have been recorded.

The movement of all the people participating in national defense and the maintenance of the fatherland's security by the masses have gained increasing depth. Increasing progress has been made in local military work and the maintenance of political security and social order. The people's armed forces of the province are always concerning themselves with national defense needs, performing economic work and excellently fulfilling their international obligation to the province with which we share a brotherhood, Soai Rieng.

The achievements mentioned above have originated first in the correct line of the party. The Long An party organization has applied the line, positions and policies of the party and state in a manner consistent with local conditions and circumstances to define the province's political task, establish clear guidelines, tasks and objectives regarding socio-economic development, establish a specific economic structure for each area and adopt appropriate plans and measures. Long An, which constantly displays a high revolutionary-offensive spirit and the determination to be self-sufficient, has been making every effort to develop the potentials that lie in its labor and arable land in order to develop its economy and build the new life. The leadership ability of the party organization, the management effectiveness of the government and the ownership role of the masses have been constantly heightened, on the basis of which we have achieved a combined strength, overcame each difficulty and successfully carried out the socio-economic tasks of the province.

However, there are still shortcomings in Long An's economic construction and development that the province must make every effort to correct. The development of agriculture has not been well coordinated; livestock production is not balanced with crop production. Labor productivity and the number of days worked within agriculture have increased but the value of the manday is low. Industry is still weak, especially the agricultural product and livestock feed processing industries. The industrial sector has not been rationally planned and such local traditional trades as the blacksmith trade, mat weaving, rosewood weaving and so forth, have not been appropriately developed. In economic management, the division of labor and management

responsibilities are neither complete nor comprehensive; the responsibilities of the sectors and the division of responsibilities between the province and the districts have not been clearly defined. The guidance being provided in the area of building the districts and strengthening the district level lacks detail. We have not fully tapped the initiative and creativity of the district level or production and business installations. There is frequently a lack of close coordination among the sectors and levels. The building and training of the corps of cadres, especially management cadres and technical cadres, have not kept pace with requirements. On the cultural and ideological front, we have not delved deeply into teaching the specifics involved in the struggle between socialism and capitalism and our efforts to educate and mold the new man have not been thorough, have not been closely linked to the province's tasks in socio-economic development.

The Long An party organization has set the main tasks of the province in the coming period as: focusing our efforts on developing agriculture in a comprehensive manner encompassing both crop and livestock production and the production of grain and industrial crops in order to firmly resolve the grain and food problem, meet the needs of the locality, contribute to the central level and participate in export activities; developing industry, small industry and the handicraft trades in a manner closely associated with agriculture and gradually establishing a rational economic structure for the locality; and carrying out cultural and social development so that the economy and culture support and have an impact upon each other's development, thereby meeting the pressing and most essential needs of everyday life and gradually stabilizing and eventually partly improving the material and cultural lives of the people. We will effectively coordinate the acceleration of the socialist transformation of agriculture, industry and commerce and build the necessary material-technical bases of socialism. We will always display high revolutionary vigilance, strengthen and solidify the national defense system, maintain political security and social order and establish close coordination between the economy and the national defense system to insure that the task of defending the fatherland is fulfilled in the best manner possible.

To successfully carry out the tasks described above, the province will concentrate on the following several matters of major importance:

First, we will consider agriculture to be the front of foremost importance and make every effort to develop it in every respect in a manner centered around grain production, primarily the production of rice, while strongly developing the production of such subsidiary food crops as manioc, cabbage, sweet potatoes, western potatoes and so forth as well as industrial crops in order to supplement grain sources, meet livestock production requirements, increase our exports and expand the trade sector and the household economy.

We will carry out the policy that has been adopted on sending laborers and other members of the population to develop the potentials of the Dong Thap Muoi region. In the immediate future, we will organize the relocation of labor (including socialist labor) to build communication and water conservancy projects, construct fields and so forth to create the conditions needed for the second installations of the production collectives in the southern districts of the province to settle in these areas and develop production.

Secondly, in the development of industry, small industry and the handicraft trades, special importance will be attached to the agricultural product processing industry and the production of consumer and export goods in order to rapidly increase the value of agricultural products and raise national income. We will step up the production of building materials in order to meet capital construction needs. We will reorganize the machine industry supporting agriculture and the other economic sectors; strengthen the organizations within small industry and the handicraft trades and mobilize them to produce products from local raw materials, such as jute, arjun, rushes, truc bamboo and so forth; and develop the handicraft trades at the cooperatives and agricultural production collectives, such as the blacksmith and carpentry trades and the weaving of mattresses and mats.

Thirdly, we will promote the application of scientific and technological advances within all economic sectors, beginning within agriculture, with a view toward rapidly increasing crop and livestock yields and producing more and more products for society.

Full importance will be attached to implementing technical measures in a well coordinated manner in order to practice intensive cultivation on all land under the cultivation of high yield rice, special product rice and 10th month rice in the southern districts, on the newly opened two crop rice fields in the northern districts and on fields under the cultivation of such industrial crops as soybeans, sugarcane, pineapples, jute and so forth. Greater attention will be paid to water conservancy work within fields in order to increase the effectiveness of existing water conservancy projects while taking positive steps to construct fields, area embankment and plot embankments for the purposes of expanding the amount of area under cultivation and practicing multicropping and intensive cultivation. We will publicize the experiences and increase the numbers of such model units as My An Phu, Long Phung, Truyen Thanh and so forth.

Fourthly, we will continue to intensify the socialist transformation of agriculture, industry and commerce and bring about new changes in order to virtually complete agricultural cooperativization in 1985.

We will closely coordinate the various levels and sectors supporting agricultural transformation and strengthen the role played by the various party committee echelons and levels of government in providing leadership and guidance by means of inspections, control work and appropriate investments in specific production areas.

Fifthly, we will continue to solidify and strongly develop the socialist commerce system; expand the business of state-operated commerce and the marketing cooperatives; closely coordinate the marketing cooperatives and credit cooperatives with the cooperatives and production collectives in agriculture, small industry and the handicraft trades; broaden the scope of investments and the supply of finished and raw materials in order to tightly control agricultural commodities, the products of small industry and handicraft products and meet production and export requirements; and import supplies and equipment to meet production requirements within the locality.

Efforts will be increased to collect financial revenues, collect taxes and collect debts, balance the budgets of the villages, subwards, districts, cities and province, tightly control the flow of money and goods, promote sales, develop savings funds and expand the movement to buy bonds.

Sixthly, we will use the district as the base for developing agriculture and establishing an agro-industrial structure (or agro-forestry-industrial, agro-fishing-industrial...).

The building of the districts will be closely linked to the building of the villages. While building the economy, we will carry out cultural and social development, strengthen national defense and the maintenance of security, closely coordinate the economy with the national defense system and build districts that are economically strong and solid in terms of national defense.

Seventhly, we will promote the building of the party and effectively employ the mechanism "the party leads, the people exercise ownership and the state manages." We will continue to build pure, solid and strong party organizations and meet the requirements of the situation and tasks in the new stage. We will strengthen the governments on all levels, especially on the basic level and in vital economic sectors. We will strengthen the mass organizations and uphold the right of collective ownership of the laboring people in every field.

We will closely link the building of the party organization to the political task, heighten the spirit of self-reliance, heighten our revolutionary-offensive spirit and make every effort to overcome each difficulty and complete each task. In particular, importance will be attached to the elementary and advanced training of cadres, especially young cadres and female cadres at installations and within the sectors on the district level. We will urgently formulate cadre planning and gradually adopt plans for training a truly well coordinated corps of cadres.

Developing upon their tradition of being "loyal, courageous and tenacious" in combat, the party organization and people of Long An are determined to join with the entire country in successfully implementing the resolution of the 5th National Congress of the Party.

7809

CSO: 4209/403

ECONOMIC PLANNING, TRADE AND FINANCE

ECONOMIC PROGRESS REPORTED IN MINH HAI PROVINCE

Hanoi NHAN DAN in Vietnamese 25 Jun 84 p 3, 4

[Article by Doan Thanh Vi, secretary of the Minh Hai Provincial CPV Committee: "Minh Hai--9 Months After The Congress"]

[Text] The congress of representatives of the party organization in Minh Hai Province made an evaluative analysis in July 1983 of revolutionary movement and party organization from Liberation Day until mid-1983. They also made important decisions regarding the missions and specific activities [of the party organization] until the end of 1985. In September 1983, the Executive Committee of the Provincial Party Organization formulated a 35-point action plan aimed at raising new fervor among the people and the party organization, and aimed at accomplishing the most crucial socio-economic and party-building objectives in order to create a momentum for Minh Hai Province for a thorough and profound transformation.

Nine months is a relatively short time; however, in its meeting of early April 84, the party organization's executive committee has demonstrated that the policies of the congress of the provincial party organization have been correct and that the present development of Minh Hai has been on the right track.

In 1983, Minh Hai faced a harsh challenge from the weather: an abnormally-long drought caused Minh Hai to entirely abandon the summer-fall crop; and the 10th-month crop had the largest area ever severely water-logged and destroyed by insects. Therefore, the gross output of rice was 200,000 tons less than in the previous year and 250,000 tons less than planned. That heavy loss of rice output was not the only [setback]. Minh Hai also had a meager catch of fresh-water fish and salt-water shrimp and fish, and there was a poor harvest of forest products, which usually make the province economically strong. Nevertheless, it was in the context of these accumulated problems that the impact of the congress and of the new leadership techniques of the provincial party organization had their greatest effect. A strong popular movement has taken place throughout the province to fight drought, water-logging and insects. Cadres and people remained on their farmlands, tried new types of rice, fertilizers and chemicals, and practiced water conservancy among their ricefields. Short of that enthusiasm and change, Minh Hai could have fallen into a

catastrophic grain situation. Rice-planting areas as much as 100,000 hectares with an average output of 4 tons per hectare became a landmark of Minh Hai's new step forward in rice-intensive cultivation. In the meantime, it was proof of the integrated strength of the revolutionary movement in the province that started with close ties between the party organization and the people in cooperating to solve matters of production and life. In spite of its crop failure, Minh Hai still fulfilled its grain duties vis-a-vis the whole nation.

In the last 9 months, Minh Hai has made efforts to plant industrial trees. These plantings included 5,000 hectares of new coconut trees, 5,700 hectares of sugarcane, and 2,000 hectares of pineapple. In terms of animal husbandry, the province had herds totaling 49,000 water buffaloes, 320,000 hogs, which almost met the plan's requirements, and 4.5 million poultry and 32 million eggs, which were four times in excess of the plan. Minh Hai protected its forests better after its largest fire. The province has completed a protection dike around U Minh and is in the process of giving land and forest to districts, villages and to the people. Its catch of fish was meager because this year Minh Hai experienced a fish epidemic never seen before; however, it still reached an output of water products of over 82,000 tons. Shrimp breeding alone yielded 3,200 tons, which was only a partial harvest from 20,000 hectares of shrimp breeding.

The province's industries made some progress reaching a gross production of 1.8 billion dong. In this industrial context, the three economic-technical clusters of Ca Mau, Ganh Hao and Song Doc began to pay off, while that of Nam Can is still being built. The construction materials industry was also expanded more than in the previous year. Salt output reached 70,000 tons and experiments to manufacture plaster and soda from salt have been successful. In the last year, a number of scientific and technical applications of Minh Hai Province were highly appreciated by the whole nation, such as a diesel engine powered by paddy husks and improved dryers and water pumps. In the last dry season, an enthusiastic popular movement to construct roadways started. Carrying out the 35-point plan of the Provincial People's Council, the people have built 1,000 km of dirt roads, repaired and constructed many bridges, and baked clay to surface roads. In a province with a poor land communications system like Minh Hai, the popular movement to construct roads conveys a special meaning.

1983 was also the year Minh Hai obtained new results in reforming production relationships in rural areas: many new cooperatives and production collectives joined the ranks of the more efficient collectives. Basic land adjustment was completed and over 10,000 hectares were distributed to people who owned no farmland.

After the congress, the party organization diligently carried out the study of the resolution of the Fourth Congress of the Party Central Committee and made a thorough review of all levels of party organization from the provincial level down, from members of the Provincial People's

Council down to party members. Unworthy individuals were expelled from the party and disciplinary measures were taken against those who made mistakes or erred. The party structure was reorganized from the higher echelons down, and many unresolved matters from previous years that caused social dissatisfaction were taken care of. That was the new vitality that revived the party, affected the government apparatus and enthused the people. Although many problems still have to be patiently and resolutely solved, the new drive of the party organization was the biggest success of Minh Hai since the congress. At present, more unity prevails in the ranks of the party organization.

The meeting of the Executive Committee of the Provincial Party Organization in early April realized the many problems that needed to be patiently resolved with regard to the revolutionary movement and to the situation of the Minh Hai Party Organization. Generally speaking, Minh Hai's progress is still slow. Many economic potentials and capabilities within the reach of the localities were not exploited. Popular movements lacked solid foundation and the correction of shortcomings of the party organization, though fairly peremptory, could not meet the demands of realities. The party organization gradually showed its profound weakness: it grew fundamentally from an armed struggle and from a rural area; its cultural, economic, social management and knowledge was limited; its perception of the role of a ruling party was not elaborate enough to understand that its primordial function was to provide leadership to the people to build socialism with a set of rules different from those of armed struggle and that it was the organization responsible for the lives of all the people to the smallest detail.

The Executive Committee of the Provincial Party Organization wholeheartedly felt that the province was about to enter the 10th year of liberation but its social, economic and party achievements were not commensurate with such a long period of time.

Nineteen eighty-four must be a year of relentless struggle for Minh Hai. The objective must be a surplus grain crop. We plan to harvest from 950,000 to 1 million tons of grain, which is an increase of 320,000 to 380,000 tons from the previous year. The principal measures will be the betterment of planting technique, the stabilization of 120,000 hectares of high yield rice, the transplanting of new types of rice in most of the remaining areas, the expansion of the summer-fall and winter-spring crops, the improvement of water conservancy, the intensification of dry-plowing and of correct plowing, the allocation of fixed quantities of fertilizers for farmlands, and preparedness in fighting insects and rats. This determination is well founded: planning has been done in each collective, cooperative, village, district. Moreover, these plans were made in conjunction with the material supply distribution and fertilizer plans of the various sectors at the province level.

In 1984, Minh Hai expects to augment its hog herd by 20,000, its duck flock by 1.2 million in order to reach 50 million duck eggs, and to increase the water buffalo herds to 51,000. In terms of water products, Minh Hai will try to catch 120,000 tons of various shrimp and fish and expand shrimp breeding areas to 30,000 hectares, not including the forestry/fishing farm of Song Trem that breeds fresh water shrimp and fish.

On the other hand, another undertaking that will allow Minh Hai to shorten the catch up time consists in the exploitation of a total area of saline and alkaline soil of 140,000 hectares located in vast expanses in the district. This land is suitable for planting industrial plants such as coconut trees, sugarcane, and pineapple. We call this region, which has been considered Minh Hai's misfortune, the promised land.

We will continue to complete the distribution of land and forest to districts and villages, and we will reorganize the forests for the districts and villages. We will plant 10,000 more hectares of forest in the rainy season and we are researching a pattern of forest management appropriate to collectives and cooperatives.

In terms of industry, the province will focus on increasing capabilities for machine repair, on processing water products and industrial plants, on exporting commodities, and on support to transportation. In 1984, we will perfect the economic-technical clusters, start building a number of new centers in important cities, step up production of construction materials, and complete the road network connecting Ca Mau with certain districts which have only water routes, primarily between districts' chief towns and villages.

Regarding the distribution of commodities, we will try to get access to agricultural and industrial products for internal trade. On the other hand, we will improve retail commerce to make sure that commodities reach the consumers, and we will restrict the free market. As far as exports are concerned, in 1984, we will try to reach over 20 million rubles dollars, twice the amount of 1983.

In 1984, Minh Hai will travel a path that will be very meaningful to the reform of agriculture, industry and commerce. We will try to collectivize 50 percent of the farmland and agricultural labor, reform processing plants, hulling mills and transportation means, and eliminate certain patterns of free trade such as ownership of storage [bins] and barns. We will reform small trading to include suppliers of industrial products and pharmaceutical product traders, etc.

Culture, education, health, physical education and sports, science and technology and the arts are Minh Hai's weaknesses. We are facing countless problems and pressing needs that have to be met in an adequate manner so that they will not adversely affect Minh Hai's development. In education alone, we have to enroll 80,000 children who reached school age but did not have a chance to go to school.

We have had a mere 9 months. While a dragging sluggishness still prevails, the new demands are both urgent and complex. The motivating force towards reform and development after the momentum given by the congress has been the energy, the fighting strength and the reorganization of the party organization. The Minh Hai Party Organization has been consolidated after the congress, yet it still has to solve many problems, from the reestablishment of closer ties with the people through deeds to its self-improvement in order to accomplish its missions.

The last meeting of the Executive Committee of the Provincial Party Organization set aside a lot of time to discuss party work and mass line. We are encouraged by the important progress made but have to ask ourselves, "What kind of unresolved problems are confronting us?" We understand that we have to continuously attend to party work, to tightly adhere to its principles, primarily those pertaining to democracy. We have to listen to the people's voice, stay close to realities, preserve the qualities and ethics of communism, and avoid defects such as excessive self-pride, bureaucratic behavior, tendency to enjoyment, and other defects usually experienced by ruling party organizations.

Although it has made a great deal of progress in the last 9 months, Minh Hai realizes that it needs to fight more vigorously and try harder. We believe we will accomplish the economic-social objectives and targets set forth by the resolution of the CPV Central Committee and, through this accomplishment, we will grow stronger.

9458

CSO: 4209/379

ECONOMIC PLANNING, TRADE AND FINANCE

BEN TRE PROVINCE OUTLINES 1984-1985 GOALS

Hanoi NHAN DAN in Vietnamese 3 Jul 84 p 3

[Unattributed article: "Primary Economic Norms By 1985 of Ben Tre"]

[Text] Agriculture:

Total grain output: 510,000 tons.

Coconut output: 165 million nuts.

Sugarcane stalk output: 594,000 tons.

Marine products, caught and raised: 44,500 tons.

Buffalo, cattle herd: 70,000 head.

Hog herd: 220,000 head.

Salt: 70,000 tons.

Industry:

Total output value of industry, small industry and handicrafts: 2 billion dong
(at the 1982 fixed price).

Export:

Total export goods value: 17 million (converted into foreign exchange).

Collection of primary commodity products:

Rice: 40,000 tons

Coconuts: 60 million nuts.

Sugarcane: 400,000 tons.

Marine products: 25,000 tons.

Live hogs: 5,000 tons.

Socialist transformation:

During 1985, bring 80 to 90 percent of the agricultural land and labor forces into production collectives, basically complete agricultural transformation of the land and gradually strengthen and perfect the new management apparatus in agriculture.

Eliminate the commercial bourgeoisie and transform small merchants; organize marketing cooperatives; and strengthen the state-operated commerce system right from the primary level.

Strengthen the state-operated inland waterway transportation capabilities, both in cargo and passengers. Rearrange the inland waterway transportation lines by concentrating goods in the districts at the distribution and circulation centers of the province.

Continually and strongly develop small industry and handicrafts cooperatives and labor/work cooperation teams and draw a large portion of laborers in the sectors producing small industry and export goods into the collective work area.

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CSO: 4209/401

ARTICLE DESCRIBES STATUS OF DEVELOPMENT IN VUNG TAO-CON DAO SPECIAL ZONE

Hanoi NHAN DAN in Vietnamese 17 Jul 84 pp 3, 4

[Article by Pham Van Hy, secretary of the Vung Tau-Con Dao Special Zone Party Committee: "Building the Vung Tau-Con Dao Special Zone into a Petroleum-Gas Industrial Zone and a Beautiful Tourist Area"]

[Text] In May, 1979, due to the requirements involved in developing the search for and production of petroleum and natural gas on the southern continental shelf of the fatherland, the Vung Tau-Con Dao Special Zone was established. The economic strengths of the special zone have been determined to be petroleum and natural gas, marine products, tourism, exports and imports. The construction of petroleum and gas projects in Vung Tau-Con Dao has enabled the special zone to take delivery of a large quantity of equipment and assemble drilling rigs on shore. Good results have been achieved in serving daily needs, such as providing food, shelter and transportation for the oil specialists, cadres and workers of Vietnam and the Soviet Union and providing for their security and safety. The pace of work is increasing with each passing day. On 26 May, 1984, less than 3 years after it went into operation, the Vietnam-Soviet Union Petroleum-Natural Gas Joint Enterprise struck oil on the continental shelf, thereby opening a new and bright prospect for petroleum and natural gas production by our country.

Marine products are one of the economic strengths of the locality. The special zone has focused its efforts on developing fishing and processing operations and the cultivation of marine products in both the state-operated sector and among the people. Although it is in the process of being built and strengthened, the Con Dao State-Operated Fishing Enterprise is still utilizing its full production capacity. In 1983, the marine products catch of the special zone amounted to 34,000 tons, 20,200 tons of which were produced by the state-operated sector. The per capita output of marine products was 350 kilograms in 1983. In conjunction with strengthening state-operated forces, the special zone has also given its attention to developing the fishing trades practiced by the people while intensifying socialist transformation, reorganizing production, eliminating the various forms of exploitation practiced by fish dealers and storage houses and gradually leading fishermen down the path of earning their livings collectively within production

collectives. To date, 30 percent of the forces engaged in fishing has been collectivized.

As regards the cultivation and planting of marine products, the special zone has nearly 2,000 hectares of water surface that can be used to raise shrimp for exportation. At present, shrimp are being raised on about 350 hectares; by the end of 1984, 1,000 hectares will be in use for this purpose.

We have been concentrating on investing in intensive development and applying technological advances in fishing and the cultivation of marine products with a view toward increasing the output and quality of exported marine products and establishing unified management, in an effort to export 4 million dollars worth of marine products in 1984.

The special zone has attached importance to developing local industry, especially the marine products processing industry, engineering and repair services for boats and ships and the production of building materials. The small industry and handicraft sector, although small, has made efforts to overcome the difficulties encountered with electric power, raw materials and supplies to produce consumer and export goods.

Vung Tau-Con has been blessed by nature with beautiful scenery and a comfortable climate, which provide favorable conditions for tourism during all four seasons of the year. Cadres, manual workers, civil servants and laboring people come from various places to relax, bathe in the sea and participate in tourist activities. We have been making efforts to develop the network of state-operated services at bathing beaches, manage prices and gradually develop Vung Tau-Con Dao into a civilized recreational and tourist area.

The agricultural production of the special zone is not extensive. We have determined which crops and species of livestock to raise and have gradually been meeting a portion of the food needs of the industrial zone while planting a number of industrial crops of high economic value that are suited to local soil conditions, planting trees to cover bare mountains and hills and planting trees to block the wind along the seacoast.

We have also attached importance to export and import activities and have been exporting all available local products in order to meet a portion of our needs for fuel and supplies for production and accumulate capital with which to build material bases and serve the daily needs of the people. At the same time, we have given attention to expanding the state-operated commerce network and marketing cooperatives, increasing the procurement of local agricultural and marine products, carrying out the transformation of commerce, managing the market and managing prices. Today, within the special zone, socialist commerce virtually dominates the social market in the products of rice, meat, vegetables and fish and the majority of industrial goods, thereby maintaining stable prices. The network of state-operated public food and tourist services has been expanded.

Over the past several years, many advances have been made in cultural and social work. Political propaganda and education and efforts to establish the new lifestyle and mold the new, socialist man have been carried out on a

regular basis among the various strata of the people. The development of cultural life within the subwards and villages and the fight against the remnants of the decadent culture as well as such ills as gambling and superstition have been intensified. In coordination with the Ministry of Culture, the special zone is taking positive steps to protect and preserve the Con Dao historical revolutionary ruins and develop the area into a school of revolutionary tradition for youths and teenagers.

Many efforts have been made in education. The system of schools, child care centers and kindergartens has been constantly expanded. Good changes have occurred in the field of public health. The "five thorough jobs" movement has developed down to the subwards and villages, thereby making positive contributions to the maintenance of sanitation and the prevention and control of disease.

The situation surrounding political security and social order and safety has become more stable with each passing day.

The initial results described above have been achieved because the special zone's party organization has fully implemented and applied the lines, positions and policies of the Party Central Committee and government to the specific circumstances of the locality and has, through a constant educational effort, given cadres, party members and the people a thorough understanding of the party's basic viewpoints concerning the struggle between the two paths, the struggle between ourselves and the enemy and raised their sense of self-reliance, of moving forward to overcome each difficulty. On the basis of analyzing the strengths and correctly evaluating the economic potentials of the locality, the special zone party committee has led the formulation and implementation of yearly socio-economic plans, tapped the strength of collective ownership exercised by the masses and constantly heightened their vigilance in the face of the enemy's wide-ranging war of sabotage. The party organization has been built so that there is unity and consensus within the party, unity among the various strata of the people and international unity, especially with the Soviet specialists who are helping us with the development of petroleum and natural gas. The special zone has also received the attentive guidance of the Political Bureau, the Party Secretariat and the Council of Ministers and the assistance of the sectors on the central level and the municipalities and provinces of the entire country, especially Ho Chi Minh City and the provinces of the South.

However, the movement to emulate in production and socio-economic management is not uniform, strong or truly well established. The potentials that lie in labor, arable land, the forests, ocean waters, the trade sector and existing production capacity are not being fully developed, especially with regard to marine products, tourism, services, small industry, the handicraft trades and exports. The productivity, quality and production efficiency of many sectors are not high. The material-technical base of the local economy is still underdeveloped. Serious shortages of supplies, raw materials, fuel, electricity and water are problems that we must regularly face and overcome. The material and spiritual lives of the people are gradually stabilizing but have not been improved much. At some times and places, the right of collective ownership of the laboring people has been violated, consequently,

we have been unable to vigorously employ the combined strength of the system "the party leads, the people exercise ownership and the state manages." Socialist transformation has been carried out slowly and in a manner lacking coordination. Security, national defense and the fight against negative phenomena demand greater efforts. During the 2 years remaining in the 5-year plan (1981-1985), the Vung Tau-Con Dao Special Zone must work very hard in order to contribute along with the entire country to the successful implementation of the resolution of the 5th Party Plenum. On the economic front, in conjunction with maintaining our readiness to fight in defense of the fatherland, our special zone will make every effort to overcome each difficulty, beginning by providing increased support of oil and gas exploration and development. The special zone party committee will focus on leading and strengthening the party organizations that are related to oil and gas production and support work and build high determination to complete capital construction and production plans on schedule and provide the services needed to support the material and spiritual lives of the corps of Vietnamese and Soviet oil and gas cadres and workers on shore and at sea.

To develop the local economy, we will continue to develop the marine products sector in both breadth and depth, improve the quality of marine products, especially exported products, and endeavor to raise the fish catch to 35,000-36,000 tons and export 5 million dollars worth of marine products in 1985. As regards the state-operated enterprises within the sector, most importantly the Con Dao State-Operated Fishing Enterprise, importance will be attached to rationalizing production, improving enterprise management and making investments of science and technology with a view toward raising their productivity, quality and economic efficiency and restructuring their organization. Attention will be given to teaching politics and ideology to workers and seamen and heightening their sense of collective ownership in all three areas: production, management and product distribution. We will continue to improve upon the product contract system that is in use in marine product fishing operations.

As regards the fishing done by the people, we have adopted the policy of making appropriate investments in every area in order to develop production. In 1984, we will virtually complete socialist transformation and the reorganization of fishing operations, bring fishermen to collective production and adopt an appropriate policy on using two-way contracts with fishermen to encourage production and procurements and control the sources of goods, especially export goods. We will employ educational, economic and administrative measures to unify the management of marine products, remove the dealers and storehouses from the market and establish a state monopoly in the procurement and distribution of marine products throughout the special zone.

Full use will be made of bodies of water to raise shrimp for exportation and produce salt. Our target is to be raising shrimp on 2,000 hectares by the end of 1985.

In the near future, we will take positive steps to strengthen and develop the service and tourist networks; train a corps of service personnel skilled in manual trades; continue to transform the private individuals in the service and tourist business along the bathing beaches; and unify the management of

prices. At the same time, we will conduct comprehensive planning of tourism within the special zone to lay the foundation for long-range development and develop tourism and the services into a strong economic sector of the special zone.

In 1984, an effort is being made to raise the total output of local industry to 61 million dong.

In agriculture, the thrust of our efforts will be directed toward developing livestock, poultry and crop production; gradually establish a food product belt to supply a large portion of the vegetables, meat and eggs required to meet the needs of the oil-gas industrial zone; and assign land and forests to the people for them to plant trees to cover barren mountains and hills, plant coastal shelter belt forests and protect the environment. We will continue to redistribute labor and use all available arable land to raise vegetables and subsidiary food crops.

As regards exports, we will research the production and development of additional products of value for exportation and raise the exports of the special zone to a per capita average of 50 dollars in 1985. In 1984, we are endeavoring to virtually complete the socialist transformation of the marine products sector, agriculture, industry and commerce, improve distribution and circulation, take increased steps to control the flow of money and goods and build material bases in order to expand the socialist commerce network. The state will tightly control essential goods, such as rice, meat, vegetables, fish, fish sauce, cloth, medicine and so forth. We will quickly develop the cultural, public health, educational and scientific-technical sectors, give our attention to molding the new man and establishing the new lifestyle, improve the standard of living of the people and bring about a comprehensive change, thereby helping to make the special zone prosperous and beautiful.

To successfully meet the socio-economic guidelines and objectives mentioned above, we will give attention to improving the leadership ability and increasing the fighting strength of the party organization, increasing the management effectiveness of the various levels of government and their ability to organize implementation and launch an educational effort and a socialist patriotic emulation movement within each stratum of the people. The special zone's party organization will work hard to build a pure, solid and strong organization and attach special importance to performing the various jobs involved in cadre work well (leadership cadres, management cadres and scientific-technical cadres) while taking positive steps to train the corps of technical workers within the main economic sectors of the special zone.

Many pressing and new difficulties and problems face the party organization and people of the special zone. We are confident that, with the strength of the unity of the party organization, the unity of all the people and international unity and by upholding its steadfast revolutionary tradition, the Vung Tau-Con Dao Special Zone will successfully meet the socio-economic objectives for 1984 and the targets for 1985 that were set in the resolution of the 1st Special Zone Party Organization Congress and develop Vung Tau-Con Dao into a prosperous and strong oil-gas industrial zone and a beautiful tourist center of the fatherland.

ECONOMIC PLANNING, TRADE AND FINANCE

VUNG TAU-CON DAO SOCIO-ECONOMIC TARGETS FOR 1984

Hanoi NHAN DAN in Vietnamese 17 Jul 84 p 3

[Article: "The Main Socio-Economic Norms of the Special Zone for 1984"]

[Text] Marine products: fish catch: 34,000 tons (including 1,600 tons of shrimp). Processing: 890 tons of frozen marine products (of which 730 tons will be exported). Expanding shrimp cultivation by 500 hectares.

Agriculture: grain production: 2,170 hectares; output in paddy equivalent: 3,500 tons.

--Hogs: 9,000.

--Providing a full supply of eggs to oil and gas cadres and workers.

--Clearing an additional 100 hectares.

Forestry:

--Planting 200 hectares of forest; cultivating and protecting 3,670 hectares of existing forest.

Industry:

Total output: 61 million dong, of which 4.5 million dong worth of small industry and handicraft products will be exported.

--Salt: 12,000 tons (5,000 tons exported).

--Ice: 60,800 tons.

Value of exports:

--More than 11 million dollars (with local exports worth more than 8 million dollars).

Cultural-social:

--Building the television relay and short wave broadcasting station and extending the wired radio network to the installations.

--Increasing the number of kindergarten classes and child care centers from 660 to 729.

--Expanding the special zone hospital from 250 to 400 beds, etc.

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CSO: 4209/404

ECONOMIC PLANNING, TRADE AND FINANCE

ECONOMIC TARGETS OF LONG AN PROVINCE FOR 1985

Hanoi NHAN DAN in Vietnamese 10 Jul 84 p 3

[Article: "The Main Economic Targets of Long An for 1985"]

[Text] Agriculture:

Crop Production:

- Grain (in paddy equivalent): 550,000-600,000 tons.
- Sugarcane: 300,000 tons.
- Whole soybeans: 10,000 tons.
- Jute fiber: 6,000 tons.

Livestock Production:

- Hogs: 160,000-180,000.
- Buffalo and cattle: 95,000.
- Poultry: 4 million.

Forestry:

- Cajuput (newly planted): 10,000 hectares.

Fishing:

- Fish and shrimp output: 10,000 tons.

Industry:

- Total output: 130-140 million dong (at fixed 1970 prices).

Exports:

- Total value: 10-12 million dong (in foreign currency equivalent).

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ECONOMIC PLANNING, TRADE AND FINANCE

BRIEFS

SRV COOPERATION ACTIVITIES--An initiative of the Science and Techniques Association of the General Union of Vietnamese in France, a round table discussion entitled "The Vietnamese Economy '84: Prospects for Development and Cooperation" was held Sunday, May 20 at the Montsouris Protestant International Center (Paris 14e). In reality, it was more a question of providing information on the state of the economy cooperation in 1983 than of suggesting possibilities for their development in 1984. The debate was twofold--the performance of the Vietnamese economy in '83 and the balance sheet of cooperation with France and the Vietnamese in France. Rather than a balance sheet, a few specific examples of successful cooperation were presented. In the area of Franco-Vietnamese cooperation properly speaking, the 17-18 February 1984 symposium at the old Paris Polytechnical School (see Doan Ket No 357), the exchange programs between the Grenoble Polytechnical School and three Vietnamese polytechnical schools, and the more than generous aid provided by EDF [French Electric Company] (gifts of transformers, circuit-breakers, meters) were noted. In the area of exchanges between Vietnam and the Vietnamese in France, there were some "classic" accomplishments like those of the Union Medical Association or the analysis summer school (held in Vietnam) organized by the Chemistry Division of the Science and Techniques Association, but also some "innovations" in more "mercantile" but no less interesting areas. One example is the creation by Viet kieu at the start of 1984 of a Society for the Study and Implementation of Economic Cooperation Projects (SEREPCO), whose goal is to be at the forefront of micro-projects on the provincial level. Another is the liaison work between a number of Vietnamese import-export agencies (headed by the Ministry of Foreign Commerce) and the Vietnam-Diffusion Co, whose director, Mr Phuong, gave a picturesque report which threw an intriguing light on the mentalities and work methods of each side...[Excerpts] [Paris DOAN KET in French Jun 84 p 19] 9825

ECONOMIC DEVELOPMENT TARGETS: 1984--Grain output: 1.2 million tons; industrial and grain plants: 60,000 hectares, including 20,000 hectares of coconut trees; animal husbandry: hog herds totalling 350,000, poultry flocks totaling 5 million; breeding and catches of fresh and salt-water products: output of 120,000 tons; afforestation to 1985: 30,000 hectares; value of industrial gross production: 300 million dong; purchases: to collect 350,000 tons of grain, 14,000 tons of prok, 20,000 tons of shrimp, and approximately 75 percent of other agricultural, forestry, and water products; exports: to reach from 30 to 40 rubles/dollars per capita a year. [Text] [Hanoi NHAN DAN in Vietnamese 26 Jun 84 p 3] 9458

CSO: 4209/379

AGRICULTURE

INTERDEPARTMENTAL COOPERATION TO BOOST AGRICULTURAL OUTPUT

Hanoi NHAN DAN in Vietnamese 27 Jun 84 p 1

[Article: "Three Sectors Discuss Support For Agriculture"]

[Text] Recently, in Ha Bac, the water conservancy, electricity and agriculture sectors held an interdepartmental conference to evaluate the results of irrigation for the winter-spring crop and to discuss measures to promote closer coordination in order to support the 10th-month crop in northern provinces.

The weather has not been favorable for this winter-spring crop. Electricity and water supplied for agricultural production has increased from 25 to 30 percent. Under the initiative of the electricity, water conservancy, agriculture and other related sectors, along with efforts of localities and collectivized farmers, the northern provinces could still sow and transplant 1.3 million hectares of rice, the reaching 97 percent of the planned amount.

Through its cooperative effort to support agriculture, the electricity sector has tried to supply in priority a substantial quantity of power for water pumping, dry-plow watering, and drought fighting. The quality, quantity and efficiency of their achievements were higher than in previous years. In last May's drought fighting phase, electricity output supplied to pumping stations sometimes reached 90,000 kilowatts. The water conservancy sector cooperated closely with the electricity sector from district to province levels and regularly checked power and water lines, transformation stations and repaired damages in a timely manner. A distribution plan was formulated and electricity was used wherever needed in an efficient manner. Many provinces and cities set up a winter-spring crop production leadership committee headed by comrade deputy chairman in charge of agriculture and comprised of comrade directors of the three sectors sitting as members. The committees could timely solve problems arising at the various elements that provided support to production. In conjunction with the efforts of the collectivized farmers, the agriculture sector has tried to provide close scrutiny and timely leadership in seed allocation, scheduling, and prevention and care of insects and diseases for the winter-spring crop.

The three sectors discussed and stressed the importance of production for this year's 10th-month crop. They had to ascertain the farming area and, in the meantime, had to step up intensive cultivation in order to increase output in order to redeem the spring crop's low output. For the northern provinces in particular, it has been planned that 1.3 million hectares must be sowed and transplanted, assuming that this has to be done in the harshest weather. Moreover, 400,000 hectares of rice included in the plan are situated in low-lying areas and must be drained by power pumps. To assure successful production for the 10th-month crop, the first requirement has been not to let the rice-planting areas be completely lost or suffer serious output losses because of water-logging. Therefore, the three sectors discussed active, integrated measures to prevent or fight water-logging such as sowing and transplanting types of rice that are consistent with low-lying areas. Even in their fight against drought, active measures to fight water-logging such as reinforcement of raised ricefield paths, dredging of draining canals, night draining, timely opening of sluices to get alluvial water, and readying means and material supplies to fight water-logging manually, have been taken.

The three sectors formulated a unified plan to supply electricity for the 10th-month crop, including electricity for irrigation and draining for the entire season, and electricity for fighting normal and severe water-logging. The immediate duties of each sector is to provide direction in seed allocation, earth work, fertilizers, water conservancy repair, machines, and power lines. Cooperatives consolidated their farmland water conservancy groups in order to achieve better quality, quantity and results.

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CSO: 4209/379

AGRICULTURE

BEN TRE PROVINCE EMPHASIZES TOTAL AGRICULTURAL DEVELOPMENT

Hanoi NHAN DAN in Vietnamese 3 Jul 84 p 3

[Article by Le Minh Dao, Acting Secretary of the Ben Tre Provincial Party Committee: "Ben Tre Moves On From Total Agricultural Development"]

[Text] Ben Tre is one of the nine provinces in the Mekong River Delta but is at the end of the fresh water source and at the beginning of the salt water source. A system of crisscrossing rivers and ditches divide the province into three large islands and many small oases where sea water enters to constantly afflict two-thirds of the cultivated land with excessive salinity. The province has a natural area of about 2,800 square kilometers with a population of 1,100,000 people, an average of only 240 square meters, including water, per capita. Therefore, Ben Tre previously was never self-sufficient in grain. During the war, Ben Tre was heavily damaged. In industry there are only a number of rice mills and the local source of electricity is insufficient for daily use.

After liberation, the party organization and people of Ben Tre determinedly relied on the available labor, land and trade potentials to move forward from total agricultural development, to coordinate agriculture with fishing, closely combine industry with small industry and handicrafts and with circulation and distribution, and promote the movement of mass national defense and security for the people and the socialist culture undertaking.

Since 1980, Ben Tre has reached a balance in grain and in revenue and expenditures and has begun to acquire a surplus, fully completing and exceeding the collection goals in grain and various types of food to the central government.

Especially since application of the Resolution of the Fifth National Party Congress of Delegates to Resolution 8 of the Party Organization, Ben Tre has made a number of changes:

In agriculture: over an area of 90,000 hectares with only 26,000 in the fresh water area, through many years of water conservancy to bring in fresh water and block salt water, with 10 pumping stations able to irrigate and drain up to approximately 30,000 hectares and the rotation of the farm land area by one and one-half times, the province has raised the total annual rice output to 300,000 tons. The province has delineated and zoned a high rice output area of 30,000 hectares. Efforts are being made to achieve 40,000 hectares during the 1984 summer-fall crop, including 13,000 hectares of high output rice. Estimates

indicate that 1984 grain output will reach 350,000 to 360,000 tons. Not counting seed and livestock feed, the per capita average will be about 300 kilograms.

Through agricultural transformation, about half the area and half the farmers are presently cooperativized with 1,500 production collectives, seven cooperatives and 100 experimental production solidarity teams in the coconut grove area. The province has 23 villages and 50 production collectives attaining annual yields of from 8 to 12 tons per hectare.

Stock raising has rapidly developed with a hog herd of 200,000 animals, a buffalo and cattle herd of 50,000 and more than 2 million ducks.

Coconuts: After liberation, the province had only 13,000 hectares but now has 40,000, including 22,000 delineated coconut raising hectares with an annual output of more than 100 million coconuts. The province has further expanded the coconut growing area by 22,000 hectares in the areas of excessive salinity along the sea and rivers. Many farmers have been successful in five-layer economic production in the coconut groves with coconuts, coffee, peppers, bees and shrimp. The province is experimenting in expansion of the companion cropped area in two districts, Cho Lach and Chau Thanh, raising 43 hectares of coffee companion cropped with coconuts. During 1985, Ben Tre will raise 2,000 hectares and during the years to follow 10,000 hectares of coffee companion cropped with the coconut area.

The coconut corporation, established 3 years ago, has completed delineation of the coconut area with approximately 100,000 hectares. Many coconut seedling cultivation facilities along the Ba Lai, An Hoa, Chau Binh rivers, etc. are being invested in for the producer with technical guidance in the care and hybridization of coconut seedlings.

Sugarcane: During the war of resistance, there were about 4,000 hectares and now, with stabilized and specialized areas, there are 9,000 hectares with the application of technology and variety selection to raise the total output from 250,000 to 500,000 hectares with an increase during the next few years up to 700,000 tons of sugarcane annually.

Marine products: The province has a shoreline 65 kilometers long, many May flies suitable for shrimp and fish, a system of many canals and ditches and an estimated water raising surface area of 20,000 hectares. However, the fishing equipment is scarce and the province has been able to organize only eight state-operated boats and 250 cooperative teams for an annual catch of about 50,000 tons with 25,000 tons marketed, including about 4,000 tons of raw material shrimp.

Industry, small industry and handicrafts: From a state of having no processing industry, the province has through many formulas coordinated with the central government, local areas and other provinces to gradually but clearly raise the total industrial, small industry and handicrafts output value. During 1981, 750 million dong were achieved, 1 billion in 1982 and 1.4 billion in 1983. During the first 6 months of 1984, 853 million dong were achieved (at the 1982

fixed price) and investments are now being made to determinedly expand the coconut, sugarcane and marine products processing capabilities to support consumption and export.

A great obstacle at the present time is too little energy in the local area; materials and equipment from the central government are received too slowly and in small amounts; and the capabilities of the communications, transportation, warehouse and pier facilities are too small.

Distribution and circulation: The province has begun industrial trade transformation and socialist commerce reorganization. Annually, control of the goods sources increases. During 1983, this amounted to 1,300,000 dong, nearly twice the 1982 level. At the present time, although the amount of controlled marine products and coconuts is higher, there are still losses because the management apparatus is still not consistent, market management is lax and fuel and fishing equipment to exchange with the fishermen are scarce.

In party construction, many party organizations have been strengthened, there are no longer any deficient primary level party organizations and 136 primary level party organizations were recognized as totally strong party organizations during 1983. Degenerate and negative occurrences have clearly declined and the relationship between the party and the people has become increasingly firm and united.

Operations and administration: The province has completed supplementation of the general concept project on a district scale and is totally decentralizing management to the district. The province is renewing supervision procedures and methods, emphasizing plan formulation and specific topic supervision, developing and expanding the number of typical models, motivating the people and conducting in depth leadership by the party and management by the state. The province regularly organizes groups to inspect and resolve the difficulties of the primary level units, teach and strengthen the socialist legal system, uphold the role of the people's councils and develop the collective ownership rights of the people in the economic and social management structures.

Nevertheless, Ben Tre also still has many weaknesses: socialist transformation is still slow; management of goods sources is still poor; bridges, roads and other material and technical facilities are still weak; and there are serious shortages of energy, materials and equipment.

From now until 1985, we will strive to exploit every potential and develop total agricultural production in order to allow other production aspects to rise. Efforts will be made to raise grain output by 1985 to 510,000 tons, an average per capital level of more than 400 kilograms. We will more strongly develop industrial crops, especially coconuts, in order to achieve 60,000 hectares by 1985 with an output of 165 million nuts. Besides coconuts, we will strongly develop sugarcane, coffee intercropped with coconuts and other industrial crops in order to supply raw materials for industry and to create a source of export goods. To win victory on the agricultural production front, we are striving to achieve intensive cultivation to create uniform yields; emphasizing water conservancy and constructing hub projects to support large

specialized cultivation areas; and giving extreme emphasis to propagation and the introduction of new technical methods to production. We are carrying out the policies of encouraging rice crop intensive cultivation and the intensive cultivation and expansion of coconuts, sugarcane and other industrial and food crops. In marine products, we are both striving to better equip and organize those catching shrimp and fish at sea and to develop the raising and catching of fish and shrimp within the interior. We are promoting the movement to raise blue crayfish and silver prawns for export.

During 1984, we are both strengthening and raising the quality of collective production units and striving to newly develop agricultural production collectives and cooperatives.

We emphasize the elementary and advanced training of cadres and an increase in typical models in order to advance during 1985 to completion of agricultural transformation throughout the province.

In industry, we are promoting the development of processing industry, especially the processing of coconuts, sugarcane sugar and marine products; emphasizing the elevation of operations quality and full capacity utilization of present machinery; strengthening the enterprise management step for effective norms establishment, economic accounting and work; and are striving to solve the problems of supplying electricity and building additional warehouse systems and transportation means. During 1984, 60 to 70 percent of the households engaged in small industry and handicrafts will be brought into collective production.

We are both striving to develop production and to carry out good circulation and distribution, strengthen market management, promote the transformation of private merchants, control goods at their source, control money and stabilize prices, gradually improve the living standards of the cadres and people in the province and contribute increasingly larger amounts to the central government; and are rapidly decentralizing control to and building strong districts.

Developing their traditions of coordinated and staunch uprising with deep confidence in the Party Central Committee, the party organization and people of Ben Tre are continuing to strive upward in successful achievement of the Resolution of the Fifth National Party Congress of Delegates.

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CSO: 4209/401

AGRICULTURE

FORMER SOUTH VIETNAMESE PROVINCES COLLECTIVIZE

Hanoi NHAN DAN in Vietnamese 3 Jul 84 pp 1, 4

[Unattributed article: "Former Nam Bo Provinces Establish 20,341 Collectives, 246 Agricultural Cooperatives; 38 Percent of Area, 45.3 Percent of Rural Families Enter Collective Production; 15 Districts, 446 Villages Complete Organization of Production Collectives, Cooperatives"]

[Text] After more than a year of implementing Directive 19 of the Secretariat of the Party Central Committee on land reallocation and agricultural transformation, new changes have been made in the cooperativization movement in the provinces of former Nam Bo with rapid and stable development in the proper direction. By March of 1984, former Nam Bo had 20,341 collectives and 246 cooperatives, drawing 38 percent of the area and 45.3 percent of the rural families into collective production. During the first three months of 1984 alone, an additional 1,230 collectives and 28 agricultural cooperatives were formed and 15 districts and 446 villages, 24.5 percent of all the villages and wards engaged in agriculture, completed the organization of collectives and cooperatives. The new contract mechanism is being achieved by 92.7 percent of the collectives.

The local areas with strong movements to build production collective teams have now shifted fairly rapidly to collectives. In Tien Giang Province, 70 percent of the rural families have entered collective production, about 50 percent in the provinces of Long An, Ben Tre, Hau Giang, and An Giang.

Thoroughly understanding the aim of gradually strengthening the present collectives and cooperatives in coordination with building new collectives in places where conditions permit, local areas are inspecting the quality of collectives and analyzing their quality in order to define a theme for symmetrical consolidation; and are summarizing the experience of typical models while broadly multiplying the number of these models. Many production collectives have properly confirmed the laboring people's collective ownership rights concerning primary production materials, first of all land; widely applied and perfected the product contract mechanism for groups and laborers; organized labor in intensive crop cultivation, trade expansion and strengthening of the material and technical base to support production in conjunction with the selection and elementary and advanced training of able primary level cadres trusted by the masses; and firmly coordinated agricultural transformation with the transformation of small industry, handicrafts and commerce. Although these collectives have an area of only about 20 or 30 hectares, they promptly created an agricultural-industrial-commercial economic structure.

The standards and capabilities in each of the newly established collectives are different and there are still weak aspects but the production results in intensive cultivation, multicropping, incomes and state contributions all surpass those of the solidarity teams and individuals.

However, the cooperativization movement still reveals tendencies of simplification, pursuit of volume and insufficient attention given to collective quality; and there is still an ideology of impatience with a desire to rise rapidly to a collective. Therefore, every province has not a few collectives which are in form only. A number of locations have not yet carried out good preparations, the management standards of the primary level cadres are still weak and many jobs are still done in an incongruent manner. The elementary and advanced training of cadres has recently halted at a time in which the movement demands many cadres of greater ability.

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AGRICULTURE

NHAN DAN EDITORIAL ON IMPROVING STATE FARM OPERATIONS

Hanoi NHAN DAN in Vietnamese 16 Jul 84 p 1

[Editorial: "Increasing the Productivity, Quality and Economic Efficiency of the State Farms"]

[Text] The state farms, which are the production and business installations of the state in agriculture, occupy an important position within socialist agriculture. The country has 370 state farms managed by four ministries. State farms exist in virtually every province and municipality. The total amount of area under cultivation at the state farms is still small, 3 percent of cropland, but they produce 6 percent of the country's agricultural products and, in particular, account for nearly 20 percent of exported agricultural products. The majority or the entirety of such export products as rubber, coffee, tea, oranges, pineapples and pepper are produced by the state farms. The number of livestock being raised at the state farms is still small; however, the state farms primarily serve as breeding centers and receiving centers for newly imported livestock. The state farms have gradually become the economic and technical centers of the various economic areas. These production installations have been and are contributing to the formation of the new economic zones, thereby not only developing prosperous economies, but also helping to maintain the security of the country.

However, the results that have been achieved by the state farms have not been commensurate with the labor, land, materials and capital that have been invested by the state in state-operated agriculture. The operations of more than a few state farms are still characterized by inertia and low economic returns. Some are still operating at a loss.

As a type of agricultural production installation, the state farms must be strengthened; at the same time, new ones must be developed within specialized farming areas on newly opened land planned for this purpose. Increasingly high productivity, quality and economic efficiency are the measurements of how well the management system is being improved, of how well the initiative of the state farms is being tapped so that they become state-operated production installations that make large contributions to the task of gradually advancing agriculture to large-scale socialist production.

The production guidelines of each state farm must be established at an early date. Based on the fact that ours is a tropical agriculture that produces many different types of products and that each area and state farm encompasses many different types of land (hillside land, river silt fields, rice fields and forest land), the production task of a state farm must combine specialization with a general business and the development of the trade sector. The state farms must coordinate agriculture and forestry or agriculture and forestry with the processing industry, the support industry and so forth in order to establish an agro-forestry-industrial structure at the installation and make full use of every source of labor and all arable land in order to produce many products and achieve high economic efficiency.

The management of the state farms must be strongly shifted to cost accounting and socialist business practices to combat the style of management characterized by bureaucracy and subsidization while combating the practice of doing as one sees fit and the lack of discipline. Every state farm that produces even one product must calculate its costs and achieve economic efficiency. Production cannot be carried out at any cost and no excuses can be made for allowing a business to operate at a loss. Therefore, accounting must be practiced with every crop and species of livestock that is raised. The implementation of the product contract wage system, bonuses for exceeding output quotas and the other bonuses paid to laborers results in everyone feeling close to the state farm, achieving high labor productivity and high quality and exceeding production plan quotas.

The evaluation of how well a state farm is being operated is based on the volume of its production during the year and its product output per capita, per unit of farmland and per dong of capital invested. Yearly product output must increase at a rate commensurate with the various investments made by the state. Each state farm must make an effort to perform the task assigned to it well. State agencies and the localities have the responsibility of providing the state farms with the conditions needed to carry out their production.

To carry out production and do business in a highly efficient manner and develop its strengths, each state farm must, in addition to making efforts on its own, establish joint businesses and economic ties with other economic units in and outside the sector so that it can carry out production and capital construction while processing and marketing products and organizing everyday life. This is also the prerequisite to the state farms moving forward to fulfill their task as the economic-technical center of the locality.

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CSO: 4209/404

HEAVY INDUSTRY AND CONSTRUCTION

EDITORIAL CALLS FOR STRICTER ADHERENCE TO CONSTRUCTION GUIDELINES

Hanoi NHAN DAN in Vietnamese 10 Jul 84 pp 1, 4

[Editorial: "Construction Efficiency"]

[Text] Capital construction has the very important task of carrying out the reproduction of the various types of fixed assets, creating the material-technical bases of the economy and laying the material foundation for developing production and improving the standard of living of the people. To our country, which is advancing from small-scale production to large-scale socialist production, capital construction is of even more decisive significance in the formation of the industrial-agricultural economic structure of the entire country as well as each locality. Therefore, we annually spend many billions of dong on capital construction. This represents a major effort by the state and our people to build the material-technical bases of socialism. Attaching importance to economic efficiency is not only a principle of capital construction management, it is also a pressing requirement of the economy, an economy that is now encountering difficulties with energy, supplies and raw materials.

During the past few years, we have been adhering to the guideline of making concerted, selective investments in construction related to our main economic targets and important products for the purpose of quickly increasing and developing upon the results achieved in construction. Many changes for the better have been and are occurring as a result of implementing this guideline. Construction plans have begun to be rearranged and are now somewhat more realistic. The construction of relay projects and key projects of the state in the fields of electric power and machine production in support of transportation, communications, the petroleum-natural gas sector and so forth has been accelerated. Good results have been achieved in the clearing of land, dike construction and the reinforcement of retaining walls. During the first 6 months of this year, 11 projects that were behind schedule were put into production and use as either whole projects or project items, such as the Pha Rung ship repair facility, the Xuan Mai Concrete Plant, the Hoang Thach Cement Plant, the Ba Vi Orthopedics Center, the addition to the Lam Thao Superphosphate Plant, Yen Lap Lake, the Nga Tu So-Hanoi-Ha Dong Road, the Children's Polio Treatment Center in Ho Chi Minh City, the work rehabilitation facility in Haiphong and so forth. The Ministry of Building, which has

undertaken the construction of 32 of the 33 key projects of the state, completed 53 percent of its plan for the year on the total value of construction and assembly work performed, with 50.1 to 79.3 percent of this plan having been completed at the Hoa Binh and Tri An hydroelectric power projects and the Pha Lai and Da Nang thermoelectric power projects. The state budget has supplied for construction 44 percent of the capital required under the plan for the year, which represents an increase of 51.9 percent compared to the same time last year, thereby enabling payment to be made for the work completed during the first 6 months and providing capital for construction preparations during the next quarter.

The above mentioned advances that have been made in focusing our investment and construction efforts are encouraging. Generally speaking, however, the rate of construction remains slow. The projects completed during the first 6 months of the year only amounted to 32.7 percent of the plan quota for the entire year. The sectors and localities have not truly complied with the Council of Ministers' thinking of "focusing supplies, capital and labor on important targets, giving priority to key projects and adopting plans that must be completed this year." At a time when solid bases do not underlie the various balances (for example, the supply of building materials during the first 6 months only met about 40 percent of construction requirements), more than a few sectors and localities allocated additional, large amounts of capital acquired on their own, in such cases two to three times as much as was allocated under the plan at the start of the year. This situation is resulting in a tighter supply of materials and capital and affecting the rate of construction of many projects recorded in the plan by prolonging their completion date and causing them to be put into use late. In the end, the money that was invested becomes tied up, waste readily occurs and economic returns are low and achieved slowly.

The importance attached to economic efficiency in construction must be expressed in the adoption of plans that focus investments in key tasks, in utilizing existing production capacity as best possible, with attention given to making investments in intensive development to create the conditions needed to utilize potential capacity and priority to those projects that yield rapid returns. At the same time, forces must be focused on key projects in heavy industry and the consumer goods industry in order to insure that they are constructed at the proper rate and put into production at an early date, thereby reducing the number of unfinished projects. In the immediate future, two phenomena must be corrected: first, the phenomenon of raising construction unit prices, as a result of which investment capital is quickly consumed but the volume of construction work does not increase in a corresponding manner and sometimes even declines; and secondly, the phenomenon of too much growth in the investment capital provided under local budgets, an amount that far exceeds the amount projected in the plan, as a result of which capital is decentralized and materials are utilized in an irrational manner.

At a time when the ability to supply materials and capital is limited, there must be determination to hold the total amount of capital invested at the level projected in the plan at the start of the year. To accomplish this, it is necessary to re-examine projects, temporarily suspend projects that are scheduled to begin during the final 6 months of the year and stop or reduce

the rate of construction of projects for which all necessary procedures have not been completed or which will not yield practical returns. We must also be determined to cease the allocation of capital for projects that are funded by local budgets but are not yet on the capital construction project list. At the same time, the management of capital construction must be strengthened. This entails planning and managing construction in accordance with existing planning; tightly managing equipment, supplies and building materials; managing and utilizing labor in an efficient manner; managing the system of prices in construction; managing construction technical regulations and codes and so forth.

In capital construction, economic efficiency is reflected in putting projects into use when planned, building high quality projects and keeping construction costs low.

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CSO: 4209/403

HEAVY INDUSTRY AND CONSTRUCTION

COAL TRANSPORTATION SLOWED BY INEFFICIENT MANAGEMENT

Hanoi NHAN DAN in Vietnamese 18 Jul 84 p 2

[Article by Vu Hoan: "Is Coal Waiting for Equipment or Is Equipment Waiting for Coal?"]

[Text] During the past 5 months, despite improvements, significant progress has not been made in implementing Council of Ministers' Decision Number 30-CT on the transportation of coal from the Quang Ninh mining region to the various provinces, power plants and factories. Specifically: under this decision, the loading plan was set at 22,000 tons per day; however, during the past 5 months, an average of only 12,292 tons of coal have been loaded each day, 55.8 percent of the plan quota.

Why is coal being loaded so slowly? What is the main cause of this problem? Is it due to a shortage of transportation equipment, poor organization and management or some other reason? It can be said that there is no shortage of coal (coal stockpiled as of 31 December 1983, 1,971,766 tons, plus the coal produced during the first 5 months of 1984 amount to a total of 3,652,791 tons). Here, the problem is that a shortage of suitable grades of coal ready for loading onto means of transportation has led to a shortage of loaded coal, as a result of which equipment is only in operation for slightly more than 50 percent of each shift. A 5 month survey of the operations of loading equipment and docks (12 loading docks and their equipment) showed that due to the shortage of appropriate grades of coal and other reasons, instead of operating for 480 minutes per shift, equipment was only in operation for 180 minutes per shift, or 37.5 percent of the shift. Equipment was out of operation for 300 minutes or 62.5 percent of the shift. During the time that loading equipment was out of operation, an average of 38.6 minutes per shift, 8.04 percent, were lost as a result of waiting for equipment; 137 minutes per shift, 28.5 percent, were lost as a result of equipment waiting for coal due to the lack of appropriate grades of coal. Thus, much more time was lost as a result of equipment waiting for coal than coal waiting for equipment. In addition, there were a number of other reasons, such as the loss of electricity, empty water tanks, engine breakdowns, etc.

The sorting, washing and transportation of coal from mines have not provided loading docks with an adequate supply of the various grades of coal;

therefore, the loading of coal has fallen short of the plan quota set by Council of Ministers' Decision Number 30-CT. During the 5 month survey, there was only 1 day that 24,000 tons were loaded. There were 2 days that 20,000 tons were loaded; 4 days that 19,000 tons were loaded; 1 day that 10,000 tons were loaded; 3 days that 16,000 tons were loaded; and 7 days that 15,000 tons were loaded. On only 18 of the 152 days were 15,000 to 24,000 tons loaded in 1 day. During the same period, there were 133 days on which 20,000 tons or more of transportation capacity was available.

The above are a number of developments that have occurred during the past 5 months in the loading of transportation of coal from the mining region to various destinations. This situation has caused serious waste. If it is not successfully corrected, the quantity of coal backlogged at mines will double by the end of 1984 compared to 1983. Meanwhile, the provinces, power plants and factories continue to experience a shortage of coal. Providing a better mix of coal grades at loading docks and determining precisely how much coal of each grade is on hand so that equipment can be allocated and loading can be managed will result in a very large savings of labor, means of transportation and fuel. Who is responsible for this situation? This matter must be carefully analyzed in order to avoid unilateral assertions or one side blaming the other without determining the actual cause so that it can be corrected.

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CSO: 4209/404

HEALTH, EDUCATION AND WELFARE

BRIEFS

PROGRESS IN HEALTH CARE--The medical network specializing in venereal diseases and leprosy consists of a central institute, four municipal and provincial hospitals, 37 dispensaries, 64 examining rooms, 24 leprosariums and two large centers that cover the whole of the country. The medical corps numbers more than 800 doctors and several thousand nurses and technicians. The advanced medical schools at Hanoi, Bac Thai, Thai Binh, Hai Phong, Hue, Ho Chi Minh City and Can Tho also have a dermatovenereal section. Today, leprosy is detected early and treated in the home. The proportion of lepers has decreased from 2.1 to 1.5 per thousand. Venereal diseases, which were eradicated in the North by the sixties, still remain a veritable plague in the South; since liberation, the incidence has been reduced as a result of energetic measures. In 1981 alone, more than 20,000 syphilitics and hundreds of thousands of people afflicted with gonorrhea were cured. [Text] [Paris DOAN KET in French Jun 84 p 16] 9825

CSO: 4219/54

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